



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144

WASHINGTON, TUESDAY, MARCH 3, 1998

No. 19

House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. SNOWBARGER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 3, 1998.

I hereby designate the Honorable VINCE SNOWBARGER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Puerto Rico (Mr. ROMERO-BARCELÓ) for 5 minutes.

SUPPORT H.R. 856, THE UNITED STATES-PUERTO RICO POLITICAL STATUS ACT

Mr. ROMERO-BARCELÓ. Mr. Speaker, yesterday, March 2, was a celebratory date for all Americans. The Jones Act, introduced by the gentleman from Virginia, was enacted on that date in the year 1917, and Puerto Ricans were granted statutory citizenship of the United States. For 81 years, the U.S. citizens of Puerto Rico have been denied the most fundamental rights of American citizenship, the

right to vote for the President and the right to voting representation in the House and in the Senate.

Since we began our work in Congress in 1993, everyone here has been aware of my struggle for political equality and my frustrations as a nonvoting Member of the U.S. House of Representatives in trying to achieve equal rights for the 3.8 million U.S. citizens of the Territory of Puerto Rico.

The Children's Health Care Initiative is a perfect example of this struggle. As finally passed, the children in Puerto Rico, all of whom are U.S. citizens, will receive one-seventh of what they would receive if they had been treated as children in a State. It is a matter of serious concern that the health of the American children of Puerto Rico was not considered of equal value within the Nation. Modifications are now being proposed, but we encounter similar struggles every day that confirm that Puerto Ricans are disenfranchised second-class U.S. citizens.

Yet, Puerto Ricans have been model U.S. citizens. Our men and women have valiantly and willingly served in every one of our Nation's armed conflicts since World War I to defend American democratic values.

It is now time for Congress to take action to bring to these 3.8 million citizens political, economic, and social equality. The mechanism to achieve this is within our reach. H.R. 856, also known as the United States-Puerto Rico Political Status Act, represents this mechanism to grant the people of Puerto Rico one of their basic rights, the right to self-determination.

This bill provides for the celebration of the first-ever congressionally sanctioned referendum in this century, allowing Puerto Ricans to choose between two decolonizing formulas, separate sovereignty and statehood, or to remain in the current territorial status. It is an opportunity to end the colonial status of 3.8 million of our U.S.

citizens through the democratic exercise of self-determination.

The right to self-determination has been earned by the U.S. citizens of Puerto Rico as a result of their faithful commitment to the Nation. Over 340,000 Puerto Ricans have served in the Armed Forces, many giving their lives in defense of American democracy wherever they were needed in the world.

If the Congress refuses to grant this right to their own disenfranchised citizens, our Nation's image as the symbol of liberty and democracy in the world would be severely tarnished.

There are some people, however, interested in derailing this bill by referring to it as a statehood bill and spreading fear on what they believe are the negative consequences of statehood. I want to set the record straight.

The bill provides the people of Puerto Rico the right to express their political choice by selecting between the three status options. H.R. 856 is not an enabling act that offers the territory instant admission as a State, as some are trying to portray.

These messengers of ignorance contend that statehood will be the fatal for the Federal budget due to the additional funding that would be required, yet fail to mention the positive effect that taxes paid by individuals and companies in Puerto Rico would have in that same budget.

If we were a State now, we would pay \$4.5 billion in taxes, and the additional benefits to Puerto Rico would be \$3.1 billion; in other words, a net revenue of \$1.4 billion to the U.S. Treasury.

In a similarly intimidating fashion they try to raise havoc with the linguistic issue by arguing that there is no room for a Spanish-speaking State, failing to mention, once again, that the official languages of the Government of Puerto Rico and the languages of instruction in school are both Spanish and English. You need to consider that

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



Printed on recycled paper containing 100% post consumer waste

H693

these are merely excuses to prevent the Congress from doing the right thing.

Congress is facing an unprecedented opportunity to end the inequality and disenfranchisement of the U.S. citizens of Puerto Rico by enabling them the exercise of the most fundamental right of all democracies, self-determination, a right that the United States has defended as a Nation throughout the world. It would, indeed, be a national shame if this right were not extended to its own citizens.

We must reject the ignorant, fear-inspired movement to stop the democratic process and deny self-determination to Puerto Rico. As the world's leader, one of the main objectives of U.S. foreign policy has been to promote and defend democracy and self-determination around the world. It might be a good idea to begin applying our policies to our own citizens seeking this right.

I am asking for your support when H.R. 856 reaches the House floor. The U.S. citizens of Puerto Rico and every American committed to freedom, democracy, and justice will be grateful. It is the right thing to do.

CONGRATULATIONS TO TARA LIPINSKY, OLYMPIC GOLD MEDAL WINNER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Michigan (Mr. KNOLLENBERG) is recognized during morning hour debates for 5 minutes.

Mr. KNOLLENBERG. Mr. Speaker, I rise today to congratulate Tara Lipinsky on her outstanding accomplishment on behalf of the United States of America, winning as she did the Olympic gold in women's figure skating at Nagano.

Ms. Lipinsky, the youngest person to ever win a gold medal in an individual event in winter Olympics history, has made all America proud with her wonderful performances. The grace and elegance that Tara Lipinsky brings to her skating is invigorating, and the drive and determination that she has exercised to develop her talent sets a shining example for all of us.

Ms. Lipinsky, along with fellow Olympians Todd Eldredge, Jerod Swallow, Elizabeth Punsalan, Jessica Joseph and Charles Butler, all Olympians, all trained at the Detroit Skating Club in Bloomfield Hills, Michigan. As the Member of Congress with the great honor to represent Michigan's 11th Congressional District, which by the way includes Bloomfield Hills, it is also my home, I would like to take this opportunity to also congratulate the coaches, the family members, and everyone else that was involved that make the Detroit Skating Club one of the best training facilities for ice skaters in the world.

Mr. Speaker, Tara Lipinsky's victory has touched hearts around the world and made the citizens of my district

and across the country extremely proud. We owe all our Olympic athletes a hearty well done and congratulations.

2000 CENSUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from New York (Mrs. MALONEY) is recognized during morning hour debates for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, last week one of my colleagues came to the House floor and said that the planning for the 2000 census was done in secret. I am here today to put the facts on the table so that the American people can decide for themselves. Designing the 2000 census has been one of the most public processes in the history of the census.

Dr. Barbara Bryant, the director of the Census Bureau for President George Bush, began the process in 1991 shortly after the conclusion of the 1990 census. She took over the Census Bureau less than 4 months before the 1990 census began, and she knew that it could be improved. The results from the 1990 census reinforced that decision.

In partnership with Congress, Dr. Bryant began the process that resulted in the census design we are debating today. To achieve a better census design, Congress turned to the National Academy of Sciences.

The gentleman from Kentucky (Mr. ROGERS) testified before the House Subcommittee on the Census in 1991 and said there is a need for "an independent review of the census that is fundamental in nature, a back-to-basics, zero-based study that begins with no preconceived notions about what we collect or how we collect it. For that reason, I have pursued the idea of having the National Academy of Sciences conduct such a review. The Academy is credible, experienced, and more importantly, independent. Plus, I have been satisfied they can pull together a panel of fine minds, capable of blending fresh policy viewpoints with an understanding of statistical methods."

In 1992 Congress passed H.R. 3280, "a bill to provide for a study to be conducted by the National Academy of Sciences on how the government can improve the decennial census of population, and on related matters." That study laid out the blueprint for the 2000 census.

It has been alleged that there has been no congressional involvement in planning the census. But how can that be, when the design for the census is based on a study mandated by Congress? In addition, between 1991 and 1994 there were 15 House and Senate hearings on the 2000 census.

If there has been any neglect, it has been since 1995 when Congress abolished the Subcommittee on the Census. In 1995, 1996 and 1997 there were only 4 hearings on the 2000 census.

My colleagues have suggested that there has been no public involvement in designing the census. Again, I would like to have the facts speak for themselves. In 1992 the Secretary of Commerce established an Advisory Committee on the 2000 Census made up of nearly 50 organizations. I would like to put a list of those organizations into the RECORD.

The list referred to follows:

The National Governors Association, the American Association of State Highway and Transportation Officials, the American Statistical Association, the Association of State and Territorial Health Officials, the Business Roundtable, the Council of Chief State School Officers, the Federation for American Immigration Reform, the National Association of Counties, the National Association of Secretaries of State, the National Association of Towns and Townships, and the U.S. Chamber of Commerce.

Mr. Speaker, these organizations met over 20 times since 1992 and each meeting has been open to the public.

The activities of public involvement were not just here in Washington. The director of the Census Bureau and the Under Secretary for Economic Statistics at the Department of Commerce have gone to scores of cities and held town meetings to get public involvement. At each of these town meetings they have solicited public input on the plans that they have put before the public for conducting a fair and accurate census for 2000.

My colleagues have criticized the administration for developing a census designed by the experts. I wonder why they would want a census designed by amateurs.

The facts are that developing the design for the 2000 census has been one of the most public processes in the history of the census. The process has included major constituent groups, Congress and the public. The design for the census has been endorsed by experts and nonexperts alike.

It is very simple. In 1990 the census had an error rate of over 10 percent. Those who oppose a more accurate census want to go back to the way it was done in 1990, even if it costs more, because they believe that the errors in the census work to their advantage. The administration has put forward a plan to reduce the errors in the census and make it more fair and accurate.

The choice is simple. Do we move into the 21st century with a census that uses modern, scientific methods to count absolutely everyone? Or do we do it the old way and pay more to get a census that has millions of errors in it? I say we follow the plan of Dr. Bryant and the National Academy of Sciences.

ORGANIZATIONS THAT SUPPORT SAMPLING

American Jewish Committee, National Association of Counties, American Statistical Association, U.S. Conference of Mayors, Council of Professional Associations on Federal Statistics, Children's Defense Fund, Arab American Anti-Discrimination League, American Sociological Association, National League of Cities, and Cuban American National Council, Inc.

National Association of Business Economists, Japanese American Citizens League,

Association of University Business and Economic Research, National Asian Pacific American Legal Consortium, Association of Public Data Users, Americans for Democratic Action, National Community Action Foundation, Asian Pacific American Labor Alliance, Consortium of Social Science Associations, and AFL-CIO.

Labor Council for Latin American Advancement, Leadership Conference on Civil Rights, League of United Latin American Citizens, Mexican American Legal Defense and Education Fund, NAACP, National Council of La Raza, National Urban League, Organization of Chinese Americans, Teachers of English to Speakers of Other Languages, California Rural League Assistance, and American Association of State Highway and Transportation Officials.

□ 1245

STATEHOOD FOR PUERTO RICO

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 21, 1997, the gentleman from Tennessee (Mr. DUNCAN) is recognized during morning hour debates for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I rise today to speak on the question of whether Puerto Rico will become our 51st State. Last year I was the only member of the Committee on Resources who voted against this bill on the final committee vote. I did not speak against this bill at the time or try to get anyone else to vote against it, primarily due to my great respect for and friendship with Chairman Young, the primary sponsor. Chairman Young and I agree on almost all issues, particularly on the need to open up a very small portion of Alaska to further oil production.

After I cast this lone dissenting vote, I was asked to visit Puerto Rico by its government and some of its leading citizens, and in an attempt to be as fair as possible, I went there for a weekend visit 8 or 9 months ago. While there, I met some of the nicest people I have met anyplace in this world. I was greatly impressed with the beauty of the island and the great progress that is being made toward freedom and a strong economy and away from the shackles of socialism.

I was impressed with the close ties and favorable feelings most Puerto Ricans have with and for the United States. I was told that Puerto Rico had sent more soldiers and sailors to the U.S. military than any other State per capita, and I really appreciate this.

I had never thought much about this before I went there, but Puerto Rico is closer to Washington, D.C., and the Southeastern United States than are some of our Western States. I believe that Puerto Rico is fast on its way to becoming an island paradise. Some of it already is.

Puerto Rico has a great future, if it continues moving even further toward a free market economy and lower taxes. The island is in a strategic location and could be a valuable asset to us militarily.

However, in spite of all the many good things there are about Puerto Rico and its people, I do not believe Puerto Rico should become a State at this time. First and foremost to me, the American people do not support this expansion. In every poll or survey, the people of my district hold opinions almost identical to the national average. I have not received even one phone call, comment, letter or postcard in favor of this from my district. Every local contact has been against this. This is very important to me.

Second, according to the Congressional Research Service, Tennessee would potentially be one of six or seven States to lose a House Member if Puerto Rico becomes a State. This would not have much effect on me because most of the growth in our State has been in and around Knoxville and Nashville, so my district will be about the same or even possibly shrink in size for the foreseeable future. However, it would definitely hurt our State if we lose the equivalent of 11 percent of our House delegation.

Third, the GAO and others have estimated this could cost American taxpayers \$3 to 5 billion a year in added costs to the Federal Government. We are not in nearly as strong a shape economically as some people think with the stock market at record levels. Also in about 8 to 10 years when the baby-boomers begin retiring, we are about to face some of the greatest costs we have ever seen in the history of this country. With national debt of \$5.5 trillion right now and a debt almost quadruple that when you figure in future pension liabilities, we really cannot afford to do this until Puerto Rico strengthens its economy significantly.

Fourth, when I went to Israel 3 or 4 years ago, our group met, among many others, with the woman who headed Israeli immigration. She told us they gave all immigrants to Israel up to 2 years of intensive language training if they needed it because Israel felt that it was very important to have a common, unifying national language.

It is fine with me if everyone in this country learns Spanish or some other second language, but I think all U.S. citizens need to be truly, honestly fluent in English. We need a unifying national language. Look at the problems Canada has now with many in French-speaking Quebec wanting to split Canada in the middle. English is and should be our national language, even if some do not like it.

I am told that a little over 20 percent of the people in Puerto Rico are fluent in English. I believe Puerto Rico should greatly emphasize the English language training if they want to become a part of our Union.

Fifth and finally, some say only a little over half of Puerto Ricans want to become a State of the United States if they are given a truly free choice with fair definitions. I do not believe we should add any State unless an extremely high percentage, at least 75

percent or even more, want to become citizens. We certainly do not need to add a State where almost half of the people do not want it.

Puerto Rico should vote first. They can hold a referendum without our permission. The Congress should not take a vote that as a practical matter we cannot get out of unless, and until we have a truly fair, accurate assessment of how many Puerto Ricans really want this.

For all of these reasons, Mr. Speaker, I believe we should maintain our present friendly, close relationship with Puerto Rico as a U.S. Territory.

PEACE CORPS DAY 1998

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. FARR) is recognized during morning hour debates for 5 minutes.

Mr. FARR of California. Mr. Speaker, it has been 35 years since I joined the American Peace Corps, and I rise today to celebrate this month and this very day, the 37th anniversary of the Peace Corps.

It was started on March 1, 1961, when President Kennedy signed legislation passed by this Congress creating the Peace Corps.

Today there are more than 150,000 returned volunteers in the United States, five of whom serve in the House of Representatives and two in the United States Senate.

Today, because of the anniversary of the Peace Corps, there are more than 6,000 returned volunteers that are presently, as I speak, working in schools throughout the United States to bring a program called World Wise Schools. They bring the cross-cultural awareness of these countries that they served in to the school children of America.

I just participated in a program like that downtown at the Peace Corps headquarters, where we had life interaction with students from South Africa, that was being taught by an American Peace Corps volunteer from Washington, D.C.

Today there are 84 countries in the world that have invited the Peace Corps to be in them. There are 6,500 volunteers that are now serving overseas. They are addressing the critical development needs on a person-to-person basis, helping spread and gain access to clean water; to grow more food; to help prevent the spread of AIDS; to teach English, math and science; to help entrepreneurs start new businesses; and to work with nongovernmental organizations to protect our environment.

In fact, the demand for Peace Corps far exceeds the supply. For my conservative friends on the other side of the aisle, I wanted you to recall that the President has asked for expansion of the Peace Corps in his address to the Congress here just last month. In his 1999 budget request, he wants to put

10,000 volunteers, up about 35,000 more volunteers, serving overseas by the year 2000. The demand for their service is there, the supply is not, and the only thing that stands between that is the United States Congress and its ability to appropriate the funds. I encourage my colleagues to do so.

The proposed expansion of the Peace Corps comes at a time when the interest in serving as a volunteer is particularly high. Last year, more than 150,000 Americans contacted the Peace Corps to request information on serving as volunteers, an increase of more than 40 percent since 1994.

The value of the volunteers and their experience is not restricted to overseas service. I can testify that the best service that is given to the Peace Corps is the domestic dividend that we all bring when we come home.

I urge all of those Members of Congress that they ought to think someday even when they retire, that Peace Corps has no limit to the age that one can enter. Remember President Carter's mother who entered the Peace Corps in her elderly years. I encourage on this 37th anniversary of the Peace Corps that we all be proud of what was created here in the House of Representatives and what has served its country well, the United States Peace Corps.

A TRIBUTE TO CONGRESSMAN GARNER E. SHRIVER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Kansas (Mr. TIAHRT) is recognized during morning hour debates for 5 minutes.

Mr. TIAHRT. Mr. Speaker, today I come to the floor of the House both to commemorate and honor the life of a former Member of this distinguished body, Garner E. Shriver. Garner died this past Sunday, March 1, at age 85.

Both my wife Vickie and I were deeply saddened when we learned of Garner's death. Over the past couple years, Garner had become a personal friend and someone whom I admired greatly. I speak for the entire Kansas delegation in Congress when I say our thoughts and prayers are with Garner's wife, Martha Jane, and their three children, Kay, David and Linda.

Born on July 6, 1912, in Towanda, Kansas, Garner's family later moved to Wichita in 1925, where he attended public schools and graduated from East High School.

Garner stayed in Wichita to receive his undergraduate degree from the University of Wichita, now Wichita State University, in 1934. Today his Congressional papers, amounting to over 180,000 items, are kept at the Wichita State Ablah Library.

In 1940, Garner graduated from Washburn Law School in Topeka, Kansas. Garner put himself through both undergraduate and law school by working odd jobs, including serving as a doorman.

In 1941 Garner married his wife of now 56 years, the former Martha Jane

Currier. However, before Martha and Garner had a chance to begin raising a family, World War II pulled Garner away from home for 3 years. He enlisted in the Navy, but after only 10 months he received a commission as Lieutenant, leaving the Navy after 3 years as an officer. During his tour in the Navy, Garner commanded a boat group in the Pacific by the end of the war.

Not long after the war ended, Garner made his first attempt at elected office. His wife Martha Jane recently recounted the story in the Wichita Eagle of how Garner first got into politics. She noted that "he figured he didn't have anything to lose," so in 1946, Garner ran for the Kansas House of Representatives. She continued, "When we went to bed that election night, we didn't know anything about elections. We woke up the next morning to find out he had won by 222 votes."

So began the long and distinguished career of a great Kansas politician. After serving only 2 terms in the Kansas House, Garner set his sights higher and was elected to the Kansas State Senate, where he served two terms.

During his 12 years of service in the Kansas legislature, Garner championed many worthwhile causes, including education for handicapped and retarded children, getting and keeping reckless drivers off the highways, creating the State Park Authority, important flood control legislation, and setting up the 4-H livestock show.

In 1960, Garner left State politics to run for Congress. Winning what was characterized as a very spirited race, Garner became the new representative of the 4th Congressional District. At that time the district included Sedgwick and 14 other counties and was considered to be heavily democratic.

Garner went on to win 8 consecutive races before losing in a narrow defeat, 3,200 votes, in 1976, to former Congressman and now Secretary of Agriculture Dan Glickman.

During his 16 years in Congress, Garner became an influential voice on significant issues of the day, including health and education benefits for our Nation's veterans, and landmark civil rights legislation. Garner served on the committee that drafted the the Civil Rights Act of 1964. His family is very proud of the fact that they have one of the pens LBJ used to sign the historic legislation into law.

Elected in the same class as fellow Kansan Bob Dole, Garner quickly became a close friend and political confidant of Senator Dole. Upon learning of Garner's death, Senator Dole stated that "Garner was one of my closest political friends when we served together in Congress. I, like many others, learned a lot from Garner, who was known as a quiet and effective legislator, and someone who kept his word. He was an exemplary husband and father."

While Garner worked on various issues of national concern during his

time, Garner spent a lot of his time taking care of the direct needs and concerns of his constituents back in Kansas. As a senior member of the powerful House Appropriations Committee, Garner was in a unique position to protect the vital interests of both the 4th Congressional District and the State of Kansas.

When Garner left Congress in 1977, he was ranking member of the Appropriations Foreign Operations Subcommittee and the third ranking Republican on the full committee. In that important capacity, Garner was able to make sure Kansas was never overlooked during the Federal budget process.

On a more personal level, I want to express my heartfelt thanks again to Garner for his advice and counsel upon my appointment to the Appropriations Committee after my reelection last year. Before my appointment last year, 20 years had passed since a Kansan had served on the important committee in either the House or Senate. Seeking to understand the first thing about the Appropriations Committee and how it operated, I was fortunate to be able to receive the sage counsel of Garner on the ins and outs of this committee.

After leaving Congress in 1977, Garner returned home to Wichita, Kansas, where he resumed the practice of law and spent the rest of his life alongside his lovely and dedicated wife, Martha Jane. Today, it is only appropriate that we remember and celebrate the life and accomplishments of Garner E. Shriver.

Garner Shriver will be missed, not only by his family, but by me and a lot of other Kansans, Kansans who considered him a friend, an American hero, who lived his life with courage, character and integrity.

So long, Garner. May God bless your soul and your family.

Mr. Speaker, I include for the record a copy of a letter to Mrs. Martha Jane Shriver signed by the entire Kansas delegation.

U.S. CONGRESS,
Washington, DC, March 2, 1998.

Mrs. MARTHA JANE SHRIVER,
Wichita, Kansas.

DEAR MRS. SHRIVER: We were deeply saddened when we learned of Garner's death yesterday morning. We want you and your three children, Kay, David and Linda to know that our thoughts and prayers are with you during this difficult time. We wish we could be with you this Wednesday for Garner's funeral. However, Congress will be in session that day. Representative Tiahrt has reserved time on the floor of the House of Representatives for this Tuesday, March 3, to allow us the opportunity to commemorate the distinguished life of Garner.

During the nearly 30 years of elected public office the name of Garner Shriver became synonymous with Wichita and south-central Kansas. Indeed, Monday's headline in the Wichita Eagle obituary for Garner summed it up well: Garner Shriver was a political giant. While most of us were too young to remember back 50 years ago when Garner began his political career, everyone can be proud of the many accomplishments he achieved during the 12 years he served in the Kansas Legislature and the 16 years he served in the United States Congress.

Elected to Congress in 1960, Garner quickly became a close friend and advisor to another famous Kansan—fellow classmate Bob Dole. During his tenure in Congress, Garner became an influential voice on significant issues of the day, including health and education benefits for our nation's veterans, and the 1964 Civil Rights Act. Additionally, Garner effectively combined his political prowess and position on the powerful House Appropriations Committee to make sure Kansas was never overlooked during the federal budget process. And while championing the rights of the average taxpayer, Garner was often heard complaining that members spent "too much of taxpayers' money on junketeering and increased staff."

In addition to being a loyal husband, Garner was a caring and loving father, an honored public servant and a personal friend to thousands of Kansans who, like us, will miss his wit and personal charm. Finally, we wish to recognize, as was noted in his obituary, that Garner viewed public service as a mandate for living a Christian life. We pray that the Lord gives us the same grace he provided Garner during his distinguished public career.

If there is anything we can do to help you during this difficult time, please do not hesitate to call.

Sincerely,

SAM BROWNBACK,
PAT ROBERTS,
U.S. Senate.
TODD TIAHRT,
JERRY MORAN,
JIM RYUN,
VINCE SNOWBARGER,
Members of Congress.

Mr. MORAN of Kansas. Mr. Speaker, I join my colleagues today in honoring the memory of former Kansas Congressman Garner Shriver who was sadly taken from us this week. Garner Shriver will always be remembered as one of Kansas' most effective and revered public servants.

Garner served his country as an enlisted man and as an officer in the U.S. Navy during World War II. Upon his return, he served 12 years in the Kansas Legislature and was later elected to serve 8 consecutive terms in the U.S. House of Representatives.

Here in the House of Representatives he quickly became known as a tireless advocate for our nation's veterans and as a thorough legislator who made sure Kansas was never overlooked in needed federal appropriations.

A quiet, thoughtful man, Garner viewed his public service as a Christian duty. In the process, he achieved great legislative successes benefiting both our nation and his home state of Kansas.

Garner Shriver was a skilled political leader who helped shape the attitudes of an entire generation of young Kansans. It is to his credit, that those of us who have gathered here today on the floor of the U.S. House of Representatives to pay tribute to him were among them.

Our thoughts and prayers go out to his wife, Martha Jane, and their three children, Kay, David, and Linda. Garner Shriver has left a void that will surely be hard to fill.

GENERAL LEAVE

Mr. TIAHRT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the tribute to the late Honorable Garner E. Shriver.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

□ 1300

CONGRESS HAS AN HISTORIC OPPORTUNITY TO IMPROVE THE QUALITY OF OUR NATION'S EDUCATION

(Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. MILLER) is recognized during morning hour debates for 1 minute.)

Mr. MILLER of California. Mr. Speaker, this year the Congress has an historic opportunity to improve the quality of our Nation's education. Teachers are the foundation of our entire educational system, but right now we have a serious problem with the way we prepare and deploy teachers. One in four high school teachers does not even have a college minor in the subject they teach. In high poverty schools, the figure is one in two.

Last week it was reported that U.S. students performed poorly in math and science compared to students in other countries. It is no coincidence that many of these students' teachers have no math or science background. The Committee on Education and the Workforce is about to mark up legislation to upgrade teacher preparation and to attract talented individuals to the profession of teaching.

I will offer my own legislation, H.R. 2228, which would provide for the forgiveness of student loans to qualified entry-level teachers, increase professional development of new teachers, strengthen the standards for federally-supported teacher programs, and require schools to inform parents about the qualifications of their child's teacher.

I support reducing classroom size by hiring more teachers, but when it comes to teachers, more is not enough. I urge my colleagues to support H.R. 2228.

ELIMINATE THE MARRIAGE TAX PENALTY NOW

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 21, 1997, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, today I rise to explain why enactment of the Marriage Tax Elimination Act is so important with a series of questions: Do Americans feel that it is fair that our Tax Code imposes a higher tax penalty on marriage? Do Americans feel that it is fair that 21 million married working couples suffer a tax penalty of \$1,400 more in taxes just because they are married? Do Americans feel that it is right that our Tax Code actually provides an incentive to get divorced?

The answer is pretty clear. Not only is the marriage tax penalty unfair, but it is wrong that our Tax Code punishes a married working couple with two incomes with higher taxes than an identical couple that chooses to live together outside of marriage. Twenty-one million married working couples suffer an average marriage tax penalty of \$1,400 more in higher taxes just because they are married.

Some would say, why does that happen? Under our current Tax Code, a married working couple with two incomes usually files jointly. When they do, their combined income pushes them into a higher tax bracket.

Let me give an example here of a south suburban couple. I represent the south side of Chicago, the south suburbs in Illinois, as well as a lot of bedroom communities and rural areas. Let me give an example of a couple that lives in Joliet. Say you have a machinist who is working at the Joliet Caterpillar Manufacturing Plant, where they make heavy industrial equipment like bulldozers and cranes and earth movers. This machinist is making \$30,500 a year in average income. If he is single, after standard deductions and exemptions, he is in the 15 percent tax bracket, being taxed at the 15 percent rate.

Say he meets a gal and she is a public school teacher in the Joliet public schools. She has an identical income. This machinist who works the caterpillar and this Joliet public school teacher decide to get married. She has an income of \$30,500 as well. When you combine their income when they file jointly, it produces a \$1,400 average marriage tax penalty. Is that fair, just because this machinist at Caterpillar and this Joliet public school teacher decide to get married, that they should pay higher taxes just because they are married?

I think it is wrong that our Tax Code punishes this machinist and this school teacher. I believe we should make it a priority to eliminate the marriage tax penalty. If we think about it, in Joliet Illinois, in the district I am proud to represent, for this machinist and public schoolteacher, \$1,400 is a lot of money. That is one year's tuition at Joliet Junior College, it is 3 months of day care at a local day care center, it is several months' worth of car payments and a significant portion of a down payment on a new home.

The Marriage Tax Elimination Act, which now has 235 cosponsors, would eliminate the marriage tax penalty and eliminate it now, because we would give married working couples with two incomes the power of choice to choose to file as two singles or jointly, whichever is to their financial advantage.

The bottom line is, each individual, this machinist and this schoolteacher, under the Marriage Tax Elimination Act, would be able to enjoy the lower tax rate and would be at the 15 percent rate, allowing them to keep that \$1,400.

There are a number of ideas out there for tax relief this year. President Clinton talks about the need for child care. In fact, he talks about expanding the current child care tax credit. Let us compare what that means. Under the President's child care tax credit, which only families with children with incomes less than \$50,000 would qualify for, the President's plan would provide \$358 in extra take-home pay at the end of the year for the average couple that would qualify.

The Marriage Tax Elimination Act, as an alternative to the President's plan, would actually provide \$1,400. If we think about that, at a Joliet day care center for this machinist and schoolteacher living in Joliet, that is 3 weeks worth of day care under the President's proposal or 3 months' worth of day care under the Marriage Tax Elimination Act. The question is, which is better, 3 weeks under the President's plan, or 3 months under elimination of the Marriage Tax Penalty Act?

The bottom line is we should be working to eliminate the marriage tax penalty. It is wrong that our Tax Code punishes marriage with higher taxes. We should make it the centerpiece of our budget discussions. I am pretty proud that this Congress, our new majority, which has been in place for 3 years, has provided more tax relief for middle-class families than any Congress in recent history.

In 1996 we, of course, provided for the adoption tax credit to help families provide a loving home for children. In 1997 we provided a \$500-per-child tax credit, which for Illinois families, for 3 million Illinois kids, would allow \$1.5 billion in higher take-home pay for Illinois families.

This year let us stop punishing marriage. Let us make elimination of the marriage tax penalty the number one must-do. Let us make it the centerpiece. Let us eliminate the marriage tax penalty, and do it now.

Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. Tax Code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

In January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus.

A surplus provided by the bipartisan budget agreement which: cut waste, put America's fiscal house in order, and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least \$46-\$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel it's fair that our tax code im-

poses a higher tax penalty on marriage? Do Americans feel it's fair that the average married working couple pays almost \$1,400 more in taxes than a couple with the almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong.

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decision to be joined in holy matrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working women's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist, at a Caterpillar manufacturing plant in my home district of Joliet, makes \$30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home \$30,500 a year in salary. If they would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SUBURBS

	Machinist	School teacher	Couple
Adjusted gross income	\$30,500.00	\$30,500.00	\$61,000.00
Less personal exemption and standard deduction	6,550.00	6,550.00	11,800.00
Taxable income	23,950.00	23,950.00	49,200.00
Tax liability	3,592.50	3,592.50	8,563.00
Marriage penalty			1,378.00

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of \$61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of \$1,400 in higher taxes.

On average, America's married working couples pay \$1,400 more a year in taxes than individuals with the same incomes. That's serious money. Everyday we get closer to April 15th more married couples will be realizing that they are suffering the marriage tax penalty.

Particularly if you think of it in terms of: a down payment on a house or a car, one years tuition at a local community college, or several months worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Elimination Act.

It would allow married couples a choice in filing their income taxes, either jointly or as individuals—which ever way lets them keep more of their own money.

Our bill already has the bipartisan cosponsorship of 232 Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or address-

ing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote "the era of big government is over."

We must stick to our guns, and stay the course.

There never was an American appetite for big government.

But there certainly is for reforming the existing way government does business.

And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentleman, we are on the verge of running a surplus. It's basic math.

It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society.

We ask that President Clinton join with Congress and make elimination of the marriage tax penalty * * * bipartisan priority.

Of all the challenges married couples face in providing home and hearth to America's children, the U.S. Tax Code should not be one of them.

Lets eliminate The Marriage Tax Penalty and do it now.

Which is better?

NOTE: The President's Proposal to expand the child care tax credit will pay for only 2 or 3 weeks of child care. The Weller-McIntosh Marriage Tax Elimination Act, HR 2456, will allow married couples to pay for 3 months of child care.

Which Is Better, 3 Weeks or 3 Months?

CHILD CARE OPTIONS UNDER THE MARRIAGE TAX ELIMINATION ACT

	Average tax relief	Average weekly day care cost	Weeks day care
Marriage Tax Elimination Act	\$1,400	\$127	11.0
President's Child Care Tax Credit	358	127	2.8

URGING MEMBERS TO JOIN THE CONGRESSIONAL DIALOGUE ON VIETNAM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from California (Ms. SANCHEZ) is recognized during morning hour debates for 5 minutes.

Ms. SANCHEZ. Mr. Speaker, this past June, United States Secretary of State Madeleine Albright visited Vietnam to formally open the United States Embassy there. The recent establishment of diplomatic relations reflects changes between the United States and Vietnam since the end of the Vietnam War in 1975 and the lifting of the trade embargo in 1994.

Thus, several issues are emerging in the dialogue between the United States and Vietnam. It necessitates the creation of a forum for Members to express their views and to work with the administration on forming foreign policy towards Vietnam.

I rise today to call on my colleagues to join the Congressional Dialogue on Vietnam. It is founded by myself and the gentlewoman from California (Ms. ZOE LOFGREN). This group will facilitate the dialogue between Members of Congress. It will also provide information to interested parties, and it will engage in discussions between Congress, the administration, and the Vietnamese-American community.

Last September I co-chaired a human rights caucus, a briefing on the human rights situation in Vietnam. During this briefing we heard from representatives from international, religious, and human rights organizations about the status of human rights, religious persecution, and the social and political state of Vietnam.

Through this hearing we learned that there are several voices wanting to be heard on this issue, and it is our job to give these groups the forum to do so. I strongly believe that with the normalization of relations between the two countries there comes a great responsibility. Now, more than ever, it is of critical importance that we pay careful attention to the progression of developments in U.S. Vietnam policy. Again, I strongly urge my colleagues to join the Congressional Dialogue on Vietnam, and I look forward to working with each of them on this important issue.

MOVING OUR COUNTRY TOWARDS A FAIRER, FLATTER, AND SIMPLER TAX CODE AND TAX SYSTEM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. RIGGS) is recognized during morning hour debates for 5 minutes.

Mr. RIGGS. Mr. Speaker, I take to the floor during morning hour to just bring Members' attention to very interesting developments yesterday that really signaled the first round in a national debate about reforming our Tax Code and moving our country in the direction of a fairer, flatter, simpler Tax Code and tax system.

If Members will for a moment just compare the contrasting styles, the tone of the debate by the proponents and advocates on both sides of this issue. Yesterday two of our Republican colleagues, the House majority leader, the gentleman from Texas (Mr. DICK ARMEY) and the gentleman from Louisiana (Mr. BILLY TAUZIN), spoke to three different groups back here in Washington. This was part of their Scrap the Code tour that they have taken on the road to cities around the country.

Yesterday majority leader Armeay, who was one of the leading congressional proponents of the flat tax, and the gentleman from Louisiana (Mr. TAUZIN), one of the leading Congressional proponents of a national sales tax, a national tax on consumption, spoke to these three groups as part of what I think is a very rational, a very

level debate about replacing the current Tax Code in favor of one of these two plans, both of which, in my view, would be simpler and fairer than the current system. Again, they have been doing this around the country as part of an effort to inform and engage the American people in this debate.

Contrast their, again, very rational approach to discussing these issues with the President's remarks yesterday back here in Washington. I am quoting from the Washington edition of the Los Angeles Times. The headline is "Clinton Rips Reckless Overhaul of Tax Code."

The article says, "Facing an unexpected stampede in Congress to wipe out the U.S. tax code and replace it with a radical new system," and "radical" is the word the L.A. Times writer uses, "President Clinton on Monday denounced the approach as 'misguided, reckless, and irresponsible,' and warned that it would imperil the economy." Gloom and doom. These are just scare tactics, Mr. Speaker.

The article goes on to say, "In an unusually pointed attack, Clinton and his top advisers assailed popular legislation," legislation that is now pending in this House, in this Congress, "that would end the current tax code on December 31, 2001, to make way for a wholly new version."

"No one concerned about fighting crime would even think about saying, 'Well, three years from now we are going to throw out the criminal code and we will figure out what to put in its place,' Clinton told the National Mortgage Bankers Association. No one would do that. That is exactly what this proposal is. That is exactly what some people in Congress are proposing to do."

Excuse me? I do not see the analogy. I do not see any comparison between our efforts to move the country in the direction of a fairer, flatter, simpler Tax Code with this analogy to throwing out the criminal code. Frankly, I think most of us, the 143 of us that have sponsored legislation to scrap the Tax Code, resent any analogy or suggestion that somehow it is comparable to eliminating the criminal code.

Nothing could be further from the truth, and, as Jack Ferris, the President of the National Federation of Independent Businesses, which is trying to garner 1 million signatures from American citizens nationwide in support of scrapping the Tax Code, as he put it yesterday, what is irresponsible is a 500 million-word code, a 9,000 page Tax Code, that is antiwork, antisaving, and antifamily. That is exactly what we have in America today. We have a Tax Code, a tax system that is riddled with perverse incentives that actually favor consumption and spending over savings and investment.

We cannot go down this path. We should be able to have a rational, informed, bipartisan debate on this in this country without the defenders of the status quo having to, like the President, resort to scare tactics.

Let me tell the Members, what they are attempting to defend is absolutely indefensible. Here are some of the articles that have appeared in publications recently regarding the collection abuses and the culture at the IRS. Here is one that says new audit at IRS finds some agents focused on quotas. "The IRS Unveils New Taxpayer Protections to Limit Agents' Ability to Seize Assets."

Why do they have to do this? Because the new commissioner is quoted in here as saying, "I am concerned about the number of questionable procedural violations that may have occurred in the cases we have reviewed. I am especially troubled about the emphasis," in the IRS, "placed on improving collection status without equal emphasis on customer service and safeguarding taxpayers' rights."

"Treasury Chief Files Action Against IRS Quotas."

Another one, "Top Official Offers Mea Culpa for IRS."

Mr. Speaker, let us have an informed, rational, bipartisan debate. Let us transform the IRS into an agency that treats all taxpayers with respect and gives them the services they deserve, while we move the country in the direction of a fairer, flatter, simpler Tax Code and tax system.

SPEAKER'S TASK FORCE REPORT ON HONG KONG TRANSITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Nebraska (Mr. BEREUTER) is recognized during morning hour debates for 5 minutes.

Mr. BEREUTER. Mr. Speaker, last March, Speaker GINGRICH visited Asia. In the course of his visit to Hong Kong, he determined it would be appropriate to create a House task force to observe and report on the Hong Kong transition as it moved from colonial rule of the United Kingdom to become a separate but integral part of the People's Republic of China. He mandated that I chair that task force.

We created a bipartisan task force of equal numbers from the membership of the Subcommittee on Asia and the Pacific of the House Committee on International Relations, eight members total. The Speaker mandated that we visit Hong Kong and Beijing a minimum of every 6 months and provide a quarterly report to the Congress on the transition, to let the People's Republic of China know that we are watching that transition and to thereby try to protect the freedoms that existed in Hong Kong before the transition. Interestingly, the Australian Parliament has a similar effort underway.

In the first report of the Speaker's Task Force on the Hong Kong Transition, dated October 1, 1997, we reported that Hong Kong's reversion to China was characterized as "so far, so good." Six months after the official reversion, that characterization still applies.

Two other members of the Task Force and I visited Hong Kong, Beijing, Shenzhen and Macau between December 13 and December 20 of last year, and our report is effective through December 31 of 1997.

However, nearly all observers agree it is yet "too early to tell" whether Hong Kong will be greatly affected by the transition and/or whether the United States' significant interests in Hong Kong will be adversely affected. From all the perspectives both within and outside of Hong Kong, the very negative scenarios for Hong Kong which many had predicted thus far have not occurred. Undoubtedly, this is in part due to a determined effort by officials from the People's Republic of China to respect Hong Kong's autonomy under the "one-country, two-systems" formula. Despite the fact that the underlying reasons for China's stance remain the same, there is no assurance that the outcome from those objectives will still prevail.

To date, the Hong Kong people seem to enjoy the same basic liberties and rights they enjoyed prior to the reversion. However, this is tempered by the abolition of the Legislative Council and its replacement by a provisional legislature which was "selected," but not elected, by the people of Hong Kong.

Most observers agree that Hong Kong and Beijing officials responsible for implementing the "one-country, two-systems" framework are on their best behavior. Yet one overriding concern remains, and I put that in the form of a question: Are Hong Kong officials subtly anticipating what Beijing desires and not in all instances vigorously pursuing the autonomy that they now have out of a fear that they will upset Beijing? That is the question.

At least with regard to routine matters, Hong Kong governmental officials seem quick to assert their own autonomy. There is also some evidence that Hong Kong officials may be seeking to influence policies on the mainland. But on more sensitive issues such as President Jiang's interaction with protesters in Hong Kong not too long ago, Hong Kong officials may be attempting to put on a good face for Beijing.

If such attempts to "outroyal the queen" are really occurring in Hong Kong, a subtle and seemingly invisible erosion of Hong Kong's economy could be happening without being fully discernible. That is a summary of what we concluded.

Mr. Speaker, I would like to focus briefly on one other aspect of the Hong Kong transition which is of particular importance to America and being watched by this House, and I will say to my colleagues, the full report of this task force, our second quarterly report, will be found in the Extensions of Remarks for today, but that area is Hong Kong's customs autonomy.

Mr. Speaker, I would say it is a promising start but too early to judge. Indicators suggest that Hong Kong is

fully exercising its autonomy as a separate customs territory inside China. Law enforcement cooperation between Hong Kong police and Customs and U.S. Customs remains "much the same," and, according to U.S. officials, there appears to be no change in the working relationship. Nevertheless, it is "too early to judge" whether long-term U.S. trade, security, and law enforcement interests in Hong Kong ultimately will be affected by the transition.

In November, the U.S. Foreign Commercial Service performed 30 postshipment verifications on export licenses and found only one or two questionable situations. Moreover, those questions were resolved with further inspection.

A U.S. interagency team on export controls traveled to Hong Kong on January 12, 1998, as part of a bilateral cooperation agreement between Secretary of Commerce William Daley and Hong Kong Trade and Industry Secretary Denise Yue.

Mr. Speaker, I urge my colleagues to look at our entire report. We are going to more fully examine the customs and export control issue, among others, when we present our third and fourth quarterly reports to the Congress of the United States. Again, our colleagues will find our second quarterly report fully presented in the Extensions of Remarks for today.

AMERICAN HELLENIC EDUCATIONAL PROGRESSIVE ASSOCIATION HONOREES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from New Jersey (Mr. PAPPAS) is recognized during morning hour debates for 2 minutes.

Mr. PAPPAS. Mr. Speaker, just a few days ago an organization of which I am a member, called the American Hellenic Educational Progressive Association, or AHEPA for short, had its 33rd Biennial AHEPA Congressional Banquet not too far from here.

At that event one of our colleagues, the gentleman from Florida (Mr. BILIRAKIS) was the recipient of the annual Pericles Award. The gentleman from Florida, as all of us know here, is a leader in many areas of public policy, health care being one of them, but also in areas of public policy dealing with the Mediterranean, Eastern Mediterranean, Greece, and Cyprus. Mr. Speaker, we are all very proud to congratulate the gentleman on that.

The second award recipient was Andy Athens of the Chicago area. He received the 1998 Archbishop Iakovos Humanitarian Award.

Both of these gentlemen are fine Americans. I am very, very proud to know them and to consider them friends and to be a member of the Greek-American community in the United States with them, and am very pleased to have been there with them and their families that evening.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 22 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

We are grateful, O loving God, for all those people who give of their time and ability by volunteering to assist others and who through their good deeds strengthen the bonds of respect one for another. On this day we praise the efforts of those who volunteer their gifts to others and whose devotion and commitment to the meaning of service has contributed to the vitality of our national life and to our community and family development. Our thoughts at this time and our prayers every day go with these good people. May we encourage their good works and may we follow the high quality of their service in our own lives. In Your name we pray, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

SPEAKER'S GAVEL USED TODAY MADE WITH CARE AND PATIENCE BY DICK DIETERLE OF MILLERSVILLE, PA

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I rise today to pay tribute to Mr. Dick Dieterle. Mr. Dieterle is a retired school teacher and amateur wood worker from Millersville, Pennsylvania who can teach us all a thing or two

about patience. My colleagues may have noticed that I used a different gavel this afternoon, a gavel hand-built by Mr. Dieterle especially for this occasion. The head of the gavel is built from white ash that was cured for a year and air-dried for a decade. Mr. Dieterle rescued wood for the handle from a razed Lutheran church in Millersville and made its terminal from African padauk. Perhaps most impressively, Mr. Speaker, the striking block was made from a piece of apple wood that he has been curing for over 50 years. That is a very long time, Mr. Speaker.

This gavel should remind each of us as we gather to take up today's agenda that patience is a virtue and that it often takes 50 years to get something just right, whether that something is a gavel or a book or a piece of legislation. Dick Dieterle said that he is pretty sure the strongest man in the House will not break it. That is what happens when you take the time to perfect something. And looking at the gavel, Mr. Speaker, I am pretty sure that Mr. Dieterle's time was not wasted.

DEMOCRATS' EDUCATION AGENDA

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, I rise today in support of the Democrats' education agenda which will be unveiled tomorrow. It calls for modernizing schools and reducing class size by hiring new teachers. To prepare our students for the future, we must not only increase the number of teachers, but also improve the quality of teachers.

I intend to introduce a bill this week which provides scholarships or stipends for outstanding graduate students enrolled in teacher training programs in math and science. These students would then be obligated to teach math or science for 3 years in an urban or rural public secondary school or repay their stipends.

Among 25 nations, U.S. students ranked 12th and 9th respectively in math and science skills. Almost 50 percent of these students were taught by teachers who did not prepare in those fields. We can do better. I urge my colleagues to recruit and reward future math and science teachers for American children.

THE HEROIC STORY OF CHRIS NOAD

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, not often do we bring stories, heroic stories, before the House of Representatives, so it today brings me great pleasure to tell you about a heroic young man named Chris Noad of Dayton, Ne-

vada. Last Friday Chris was awarded the Boy Scout Gold Honor Medal, the highest life-saving award in scouting, for unusual heroism in saving a life at considerable risk to himself.

Twelve-year-old Chris came to the rescue of his younger sister Kathryn as she was being viciously attacked by a dog in their yard. Hearing the painful cries of his sister, Chris disregarded his own safety, rushed into the yard and was able to grab and pin a 120-pound Rottweiler until further help arrived, allowing his sister to escape. Fortunately Kathryn survived this attack, but that may not have been so without the truly courageous action of her older brother.

The actions taken by Chris Noad during those frightful moments can serve as an example to all of us. Doing the right thing at the right time even when it is at our own jeopardy is something we all need to remember. Large acts of bravery do not always occur by large people. You are truly a hero to your family, to your community and to the State of Nevada.

MEXICAN DRUG CARTEL RECRUITING STREET GANGS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, according to reports, Mexico's drug cartel is recruiting American kids in street gangs in the city of San Diego. That is right. California has become the new breeding ground for Mexican drug traffickers. Unbelievable.

While the Pentagon last year spent \$3 billion in Bosnia and Iraq, the Pentagon has announced they are going to suspend their operations on our borders. Beam me up. Let us put the seed corn where the fertilizer can reach it, Mr. Speaker. If Congress can spend billions of dollars to secure foreign borders for foreign citizens in foreign lands, then the Congress of the United States can secure the border in America for the American people. I just have one thing to say to the Pentagon. Suspend this. Are we inhaling or what?

TAXES

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, yesterday on page 1 of USA Today, there was a very interesting chart that is here to my left. It shows the rising tax load. While that is no surprise to anyone paying taxes over the past few decades, this chart caught my eye for several reasons. It shows that the tax burden has been rising steadily since 1965 for families with one working parent and for families with both working parents. Either way, married or single, Uncle Sam takes more and more, and families pay more and more. That is a for-

mula that brings joy to the hearts of big government liberals and Federal bureaucrats and government planners of all sorts. But it does not do much for families who are trying to get ahead.

It is time to change that course. The tax burden on American families, especially middle-class families, is too high. It has been going up for years, and it is time to go the other direction. It is time for some tax relief for the middle class, the backbone of America, that plays by the rules, works hard and pays the taxes.

PUERTO RICAN STATEHOOD

(Mr. GUTIERREZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTIERREZ. Mr. Speaker, today there will be a rule taken up on the Young bill, a bill that is supposed to deal with the self-determination of the people of Puerto Rico. It is really a statehood bill. It is a bill that will guarantee statehood.

In 1993, as many of my colleagues remember, the people of Puerto Rico had a plebiscite, independence, Commonwealth and statehood. We all remember the headlines, the headlines read blaring across our Nation, Puerto Rico rejects statehood. Now we are going to come back 5 years later, and since they lost it that time, we are going to write a statehood bill to make sure that that is the option. It is wrong. I am going to give everybody one example.

My father did not see me until I was 1 year old. The reason was because he was serving in the Armed Forces of this Nation. He was born on the island of Puerto Rico. He served in the Armed Forces of this Nation. Under the bill we are going to consider tomorrow, we are going to state that my father's citizenship is statutory. Now, when my father goes and votes, and he likes the Commonwealth, he disagrees with his son about a lot of things, and that is one thing we disagree about, he is going to want to vote for a Commonwealth. He served in the Armed Forces of this Nation, an American citizen. When he goes to vote, Mr. Speaker, the only thing that is going to guarantee him his American citizenship is statehood. You want an election that is going to guarantee a false vote, that is going to be tomorrow. Let the people of Puerto Rico decide.

HUMAN RIGHTS ABUSES IN INDONESIA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I stand here today to draw attention to the human rights abuses taking place in Indonesia. As many of my colleagues know, Indonesia is experiencing tremendous economic and social upheaval. In the ensuing panic, the people and government have tagged the Christian and

ethnic Chinese minority as the scapegoats for these societal ills.

□ 1415

As a result, massive human rights violations have occurred. Mobs have shut down Christian church services and burned down places of worship. Between February 14 and 17 alone, rioters destroyed the property of 29 churches. Churches gathered to find their musical instruments, benches, bibles, church documents and entire buildings destroyed.

Mr. Speaker, the extremists are not the only perpetrators of human rights abuses. Government authorities allegedly participate in the violence and abuses by failing to protect the churches and communities from attackers. By doing nothing in response to these violations, the government implicitly collaborates with extremist groups and builds anti-Christian sentiment. This is outrageous.

Mr. Speaker, we should not look the other way while such blatant human rights violations occur in Indonesia. I urge Mr. Mondale to raise these issues during his meetings with Mr. Suharto and the Government of Indonesia to take steps immediately to protect these minorities from abuse.

OPPOSITION TO H.R. 856, UNITED STATES-PUERTO RICO POLITICAL STATUS ACT

(Mr. WICKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WICKER. Mr. Speaker, I am glad to know there is bipartisan opposition to H.R. 856, the United States-Puerto Rico Political Status Act, which we will be asked to vote on tomorrow.

Over the past few weeks, I have received a lot of conflicting information regarding Puerto Rican statehood. Some say statehood will cost the taxpayers \$3.5 billion. Others say it will result in a \$2.5 billion benefit. Which is true? I cannot be sure, and the American people do not know the truth yet either.

When I was home this weekend, I asked several folks what they thought of Puerto Rico becoming the 51st State. Most of my constituents did not even realize Congress was considering such a vote. We should not vote on such an important bill when our voters are not fully informed.

During my time in Congress, I have generally been supportive of my leadership. But I say to the Republican leadership today that they are making a grave mistake. I believe they have misjudged the will and understanding of the American people. They do not know enough about this legislation, they do not know it is coming. Americans are going to wake up Thursday morning with Puerto Rico well on its way to becoming the 51st star in the flag and they are going to say, why were we not consulted?

I urge my leadership to pull this measure and give the American people an opportunity to make an informed decision.

CITIZENS PROTECTION ACT

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTCHINSON. Mr. Speaker, in 1995 a bounty hunter was chasing a bond jumper in Texas. In Houston, he found a woman he thought to be the bond jumper and beat her severely. The woman, who was pregnant, miscarried the next day. The key fact was the bounty hunter had the wrong woman. An innocent woman lost her child at the hands of a rogue bounty hunter.

The majority of bounty hunters are professionals who do excellent work. Unfortunately, there are a few Dirty Harry wannabes out there as well, and the results can be tragic.

I urge my colleagues to support the Citizens Protection Act, a bill which provides an incentive to weed out the rogue bounty hunters and prevent this kind of reckless abuse that resulted in the death of that mother's child.

The Citizens Protection Act holds two things: It says that bounty hunters and their employers, bail bondsmen, are accountable for their actions, making them liable for civil rights actions. The second thing it does, it requires bounty hunters who cross State lines in pursuit of a bond jumper to report their intentions to State law enforcement authorities.

A bounty hunter's license, Mr. Speaker, should not be a license to terrorize and abuse innocent citizens, and I urge my colleagues to support the Citizens Protection Act.

DON'T SPEND THE SURPLUS

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, today the Congressional Budget Office announced that the Federal budget is in surplus for the first time in 30 years. This is remarkable, especially when we look at where we were in 1994.

In 1994, President Clinton's budget projected \$200 billion in deficits for as far as the eye could see. Now, back then, the pundits laughed at the Republican leadership when we said we were going to balance the budget as we cut taxes. Well, who is laughing now?

Now that we have a surplus, we need to return the money back to the American taxpayer. Unfortunately, the President has different ideas. He has proposed over \$100 billion in new Washington spending.

Well, Mr. Speaker, my constituents do not want any more wasteful Washington spending. Their message to the President is very clear: Don't spend our surplus.

HISTORIC CROSSROADS IN AMERICAN HISTORY

(Mr. THUNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THUNE. Mr. Speaker, we are at a historic crossroads in American history. For the first time since 1969 we have a budget surplus.

As we stand at this crossroads, we see the path fork in front of us and divide in two ways. We can follow Bill Clinton to the left. Bill Clinton wants to lead us down the run down and rutted road that takes us backwards to the era of big government.

Or we can walk the road that leads to the right. This path leads us away from big government spending and leads us closer to familiar benchmarks, like personal responsibility and personal freedom.

The road to the right gives the American people the power to spend their own money, however they see fit, rather than spending it on some far-off Washington bureaucracy in the form of new government spending.

We face an enormous choice today, Mr. Speaker. We can take the road to the left and continue to make the Federal Government bigger and more bloated, or we can go to the right and give the American people more prosperity and more freedom.

We have seen where the path leads to the left, Mr. Speaker. We do not want to travel down that road again.

IS THE SECRETARY OF AGRICULTURE WILLING TO LOOK INTO THE FACES OF AMERICAN FARM FAMILIES?

(Mr. HILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILL. Mr. Speaker, I have a question today for the Department of Agriculture. Are you willing to look into the faces of American farm families?

Yesterday morning in Sweetgrass, Montana, on the border between Canada and the United States, dozens of farmers and ranchers from both sides of the border gathered in protest by barricading the border to gain the attention of the administration.

It is not just a protest about grain prices, even though those prices are below the cost of production. And it was not just a protest about unfair trade, even though Canada and the Canadian Grain Board is dumping grain into the United States. It was a protest about administrations in Washington and a Federal Government in Ottawa that have turned their back on producers.

My question to the Secretary of Agriculture and to our trade representative: Will you come to Shelby, Montana and will you look into the faces of these farm families, and will you sit at

their kitchen tables and look at their budgets with me? Will you listen to them and their ideas and their solutions so that these families can enjoy a piece of America's prosperity too? Mr. Secretary, will you do that? Will you not turn your back on them?

PRESIDENT SHOULD SUPPORT COALITION SUPPORTING FAIRER, SIMPLER TAX SYSTEM

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, I rise today to encourage the President to join the coalition supporting a fairer, simpler tax system. The President seems to think that the status quo is okay. He obviously has not been speaking to people in eastern North Carolina because they remind me daily that the status quo is out of control.

When the American taxpayer spends 5 billion hours and \$225 billion annually just to prepare their tax returns, something is clearly wrong. Mr. Speaker, the American people need relief, not only from their ever-increasing tax burden of 38 percent but from the lengthy and complicated tax code itself.

I ask the President to join those of us who are fighting to provide the taxpayers with the relief they so rightly deserve. Reject the status quo and support a fairer, simpler tax system for the American people.

CONGRESS TO LOOK INTO MATH-SCIENCE EDUCATION AND NATION'S SCIENCE POLICY

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, earlier a colleague from Maine registered concern about the results of the third International Mathematics and Science Study, which indicated that in the area of mathematics we were at the bottom of the list of Nations who took the test, with the exception of Cyprus and South Africa. And in science we are very little better. We only passed up Italy, Lithuania, Cyprus and one other country.

This is indeed a sad state of affairs. I appreciate my colleague's interest, and I also want to mention that the Speaker of the House, the gentleman from Georgia (Mr. GINGRICH), and the chairman of the Committee on Science, the gentleman from Wisconsin (Mr. SENSENBRENNER), earlier during the previous session decided that this was a serious problem that had to be addressed by the Committee on Science. Mr. SENSENBRENNER has commissioned me to head up the effort on the part of the Committee on Science to look into math-science education as well as our Nation's science policy.

In particular, we will be having a hearing tomorrow in which we will

have Mr. Bill Nye, the Science Guy; a representative from Sesame Street; and others, talking in particular about the question of how we can maintain interest among our students in science and mathematics as they get older. I encourage the Members of the House to attend that hearing, and I am sure we will learn a great deal about what we can do as a Nation to improve our students' performance in mathematics and science in elementary and secondary schools.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SNOWBARGER). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

SUPPLEMENTAL REPORT ON H.R. 217, HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent to file on behalf of the Committee on Banking and Financial Services a supplemental report to accompany the bill (H.R. 217), to amend Title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

Mr. LAZIO of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 217) to amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively, as amended.

The Clerk read as follows:

H.R. 217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeless Housing Programs Consolidation and Flexibility Act".

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the United States faces a crisis of individuals and families who lack basic affordable housing and appropriate shelter;

(2) assistance from the Federal Government is an important factor in the success of efforts by State and local governments and the private sector to address the problem of homelessness in a comprehensive manner;

(3) there are a multitude of Federal Government programs to assist the homeless, including programs for elderly persons, persons with disabilities, Native Americans, and veterans;

(4) many of the Federal programs for the homeless have overlapping objectives, resulting in multiple sources of Federal funding for the same or similar purposes;

(5) while the results of Federal programs to assist the homeless generally have been positive, it is clear that there is a need for consolidation and simplification of such programs to better support local efforts;

(6) increasing resources available to reduce homelessness are utilized in the development of services rather than the creation of housing;

(7) housing programs must be evaluated on the basis of their effectiveness in reducing homelessness, transitioning individuals to permanent housing and self-sufficiency, and creating an adequate plan to discharge homeless persons to and from mainstream service systems;

(8) effective homelessness treatment should provide a comprehensive housing system (including transitional and permanent housing) and, while not all homeless individuals and families attain self-sufficiency and independence by utilizing transitional housing and then permanent housing, in many cases such individuals and families are best able to reenter society directly through permanent, supportive housing;

(9) supportive housing activities support homeless persons in an environment that can meet their short-term or long-term needs and prepare them to reenter society as appropriate;

(10) homelessness should be treated as part of a symptom of many neighborhood and community problems, whose remedies require a holistic approach integrating all available resources;

(11) there are many private sector entities, particularly nonprofit organizations, that have successfully operated homeless programs;

(12) government restrictions and regulations may discourage and impede innovative approaches to homelessness, such as coordination of the various types of assistance that are required by homeless persons; and

(13) the Federal Government has a responsibility to establish partnerships with State and local governments and the private sector to address comprehensively the problems of homelessness.

(b) PURPOSE.—It is the purpose of this Act—

(1) to consolidate the existing housing programs for homeless persons under title IV of the Stewart B. McKinney Homeless Assistance Act into a single block grant program for housing assistance for the homeless;

(2) to allow flexibility and creativity in rethinking solutions to homelessness, including alternative housing strategies and an improved service sector;

(3) to provide Federal assistance to reduce homelessness on a basis that requires recipients of such assistance to supplement the federally provided amounts and thereby guarantee the provision of a certain level of housing and complementary services necessary to meet the needs of the homeless population; and

(4) to ensure that multiple Federal agencies are involved in the provision of housing, human services, employment, and education assistance both through the funding provided for implementation of the Stewart B. McKinney Homeless Assistance Act and mainstream funding and to encourage entrepreneurial approaches in the provision of housing for homeless people.

SEC. 3. GENERAL PROVISIONS.

Title I of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.) is amended—

(1) by striking section 102;

(2) in section 103—

(A) in subsection (a), by striking “the term ‘homeless’ or ‘homeless individual or homeless person’ includes” and inserting “the terms ‘homeless’, ‘individual’, and ‘homeless person’ include”; and

(B) in subsection (c), by striking “the term ‘homeless’ or ‘homeless individual’ does not include” and inserting “the terms ‘homeless’, ‘individual’, and ‘homeless person’ do not include”; and

(3) by redesignating sections 103, 104, and 105 as sections 102, 103, and 104, respectively.

SEC. 4. FEDERAL EMERGENCY MANAGEMENT AGENCY FOOD AND SHELTER PROGRAM.

Section 322 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11352) is amended to read as follows:

“SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title such sums as may be necessary for each of fiscal years 1998, 1999, 2000, 2001, and 2002.”

SEC. 5. PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM.

(a) IN GENERAL.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended to read as follows:

“TITLE IV—PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM

“Subtitle A—General Provisions

“SEC. 401. PURPOSE; PERFORMANCE MEASURES.

“(a) PURPOSE.—The purpose of the program under this title is to provide assistance for permanent housing development for homeless persons and promote the development of a comprehensive housing system that transitions homeless persons to live as independently as possible, including assistance in the form of permanent housing development, supportive housing, emergency shelters, supportive services, and activities to prevent homelessness.

“(b) PERFORMANCE MEASURES.—Consistent with the purposes and requirements of the Government Performance and Results Act of 1993, the programs under this title and the implementation of such programs by the Department of Housing and Urban Development shall comply with the following performance goals:

“(1) The Federal Government shall ensure an effective grant allocation process and sound financial management of the process. Such grant allocation process shall be implemented to ensure that—

“(A) local governments shall work with the appropriate Local Board to create innovative plans sufficient to address the needs of homeless people in their community; and

“(B) all eligible communities receive funds to address the needs of homeless people in such communities through local governments or private nonprofit organizations.

“(2) The financial resources provided under this title shall be used effectively to create more low-cost permanent housing and to transition homeless people to self-sufficiency and permanent housing.

“(3) The Federal Government shall use the Interagency Council on the Homeless as a vehicle to coordinate services, programs, and funds to promote the transition of homeless people to self-sufficiency in permanent housing.

“SEC. 402. GRANT AUTHORITY.

“(a) IN GENERAL.—The Secretary may make grants as provided under this title to eligible grantees for States, metropolitan cities, urban counties, and insular areas for carrying out eligible activities under subtitles B and C.

“(b) GRANT AMOUNTS.—Except as otherwise provided under this title, amounts for a fiscal year allocated under section 406 shall be used as follows:

“(1) INSULAR AREAS.—Any amounts for the fiscal year allocated under section 406(a) for an insular area shall be used for a grant to the eligible grantee for the insular area for such fiscal year.

“(2) PERMANENT HOUSING DEVELOPMENT.—Any amounts allocated under section 406(b) for use under subtitle B shall be used for grants under section 406(b)(2) to States, metropolitan cities, and urban counties for such fiscal year.

“(3) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—Any amounts allocated under section 406(c) for a State, metropolitan city, or urban county, shall be used for a grant under section 406(c) to the eligible grantee for the State, metropolitan city, or urban county, for the fiscal year.

“(c) USE FOR ELIGIBLE ACTIVITIES.—Grant amounts provided under this title and any supplemental funds provided under section 407 may be used only as follows:

“(1) INSULAR AREA GRANTS.—In the case of a grant under subsection (b)(1) for an insular area, for eligible activities under subtitle C benefiting the insular area.

“(2) PERMANENT HOUSING DEVELOPMENT GRANTS.—In the case of a grant under subsection (b)(2) to a State, metropolitan city, or urban county, for eligible activities under subtitle B within the State, metropolitan city, or urban county, respectively.

“(3) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—In the case of a grant under subsection (b)(3) for a State, metropolitan city, or urban county, for eligible activities under subtitle C benefiting the State, metropolitan city, or urban county, and carried out only within non entitlement areas of the State, metropolitan city, or county, as applicable.

“SEC. 403. ELIGIBLE GRANTEES.

“For purposes of this title, the term ‘eligible grantee’ has the following meaning:

“(1) GRANTS FOR INSULAR AREAS.—In the case of a grant from amounts allocated under section 406(a) for an insular area, such term means—

“(A) the insular area, or an agency, office, or other entity of the area; or

“(B) to the extent that an entity that is a private nonprofit organization is authorized by the government of the insular area to act as the grantee for the area for purposes of this title, such private nonprofit entity.

“(2) GRANTS FOR PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE ASSISTANCE.—In the case of a grant from amounts allocated under section 406(b) or section 406(c) for a State, metropolitan city, or urban county, such term means—

“(A) the State, metropolitan city, or urban county, respectively, or an agency, office, or other entity of the State, city, or county, respectively; and

“(B) to the extent that a private nonprofit organization is authorized by the government of the State, metropolitan city, county to act as the grantee for the State, metropolitan city, or county, respectively, for purposes of this title, such private nonprofit organization.

“SEC. 404. USE OF PROJECT SPONSORS.

“(a) TRANSFER OF GRANT AMOUNTS BY GRANTEES.—Eligible activities assisted with grant amounts provided under this title may be carried out directly by the grantee or by other entities serving as project sponsors which are provided such grant amounts by the grantee or a subgrantee of the grantee.

“(b) COMPETITIVE SELECTION CRITERIA.—To the extent that a grantee does not use grant amounts for eligible activities carried out directly by the grantee, the grantee shall select eligible activities for assistance and project sponsors to carry out such eligible activities pursuant to a competition based on criteria established by the Secretary, which shall include—

“(1) whether the project sponsor that will carry out the activity is financially responsible;

“(2) the ability of the project sponsor to carry out the eligible activity and the project sponsor's experience in successfully transitioning homeless persons into stable, long-term housing;

“(3) the need for the type of eligible activity in the area to be served;

“(4) the extent to which the amount of assistance to be provided with grant amounts will be supplemented with resources from other public and private sources;

“(5) the cost-effectiveness of the proposed eligible activity, considered in relation to the ultimate goal of moving people out of homelessness permanently, including consideration of high-cost area services, and other necessary amenities;

“(6) the extent to which the project sponsor carrying out the eligible activity—

“(A) will coordinate with Federal, State, local, and private entities serving homeless persons in the development of a comprehensive housing system and in the planning and operation of the activity; and

“(B) will, pursuant to section 408(m)(3), carry out the activity in coordination and conjunction with federally funded activities for the homeless;

“(7) the extent to which the project sponsor employs homeless persons or involves homeless persons or formerly homeless persons in the operation and design of its programs; and

“(8) such other factors as the Secretary determines to be appropriate to carry out this title in an effective and efficient manner.

“SEC. 405. COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY COMPLIANCE.

“A grant under this title may be provided to an eligible grantee only if—

“(1) the applicable jurisdiction for which the grant amounts are allocated under section 406 has submitted to the Secretary a comprehensive housing affordability strategy in accordance with section 105 of the Cranston-Gonzalez National Affordable Housing Act and any other requirement established by the Secretary and which is in effect for the fiscal year for which such grant amounts are to be provided; and

“(2) the public official of such applicable jurisdiction who is responsible for submitting the comprehensive housing affordability strategy required by paragraph (1) certifies to the Secretary that the eligible activities to be assisted with such grant amounts are or will be consistent with such comprehensive housing affordability strategy, including the plans in such strategy for addressing housing needs for homeless families.

“SEC. 406. ALLOCATION AND AVAILABILITY OF AMOUNTS.

“(a) ALLOCATION FOR INSULAR AREAS.—Of the amount made available for grants under this title for a fiscal year, the Secretary

shall reserve for grants for each of the insular areas amounts in accordance with an allocation formula established by the Secretary.

“(b) ALLOCATION FOR PERMANENT HOUSING DEVELOPMENT GRANTS UNDER SUBTITLE B.—

“(1) ANNUAL PORTION OF APPROPRIATED AMOUNT AVAILABLE.—Of the amount made available for grants under this title for a fiscal year that remains after amounts are reserved under subsection (a), the Secretary shall allocate for use under subtitle B, 30 percent of such funds (except that for fiscal years 1998 and 1999, the Secretary shall allocate 25 percent of such funds for use under such subtitle).

“(2) GRANTS.—Using the amounts allocated for use under subtitle B for a fiscal year, the Secretary shall make grants to States, metropolitan cities, and urban counties pursuant to a national competition based on the criteria specified in section 404(b) and in accordance with such other factors and procedures as the Secretary determines to be appropriate to carry out this title in an effective and efficient manner.

“(3) LIMITATION.—In making grants using amounts allocated for use under subtitle B for any fiscal year, the Secretary shall ensure that not more than 35 percent of the total amount allocated for such use for such fiscal year is used for activities under section 441 of this Act, as in effect on October 31, 1997.

“(c) ALLOCATION FOR FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE UNDER SUBTITLE C.—

“(1) ANNUAL PORTION OF APPROPRIATED AMOUNT AVAILABLE FOR SUBTITLE C ACTIVITIES.—Of the amount made available for grants under this title for a fiscal year that remains after amounts are reserved under subsection (a), the Secretary shall allocate for use under subtitle C 70 percent of such funds (except that for fiscal years 1998 and 1999, the Secretary shall allocate 75 percent of such funds for use under such subtitle).

“(2) ALLOCATION OF AMOUNT AVAILABLE BETWEEN METROPOLITAN CITIES AND URBAN COUNTIES AND STATES.—Of the amount allocated pursuant to paragraph (1) for use under subtitle C for a fiscal year, 70 percent shall be allocated for metropolitan cities and urban counties and 30 percent shall be allocated for States.

“(3) INTERIM DETERMINATION OF ALLOCATED AMOUNT.—Except as provided in paragraph (4), the Secretary shall allocate amounts available for use under subtitle C for a fiscal year so that—

“(A) for each metropolitan city and urban county, the percentage of the total amount allocated under this subsection for cities and counties that is allocated for such city or county is equal to the percentage of the total amount available for the preceding fiscal year under section 106(b) of the Housing and Community Development Act of 1974 for grants to metropolitan cities and urban counties that was allocated for such city or county; and

“(B) for each State, the percentage of the total amount allocated under this subsection for States that is allocated for such State is equal to the percentage of the total amount available for the preceding fiscal year under section 106(d) of the Housing and Community Development Act of 1974 for grants to States that was allocated for such State.

“(4) MINIMUM APPROPRIATION REQUIREMENT.—If, by December 1 of any fiscal year, the amount appropriated for grants under this title for such fiscal year is less than \$750,000,000—

“(A) the Secretary shall not allocate amounts for such fiscal year under subsection (b) and this subsection;

“(B) subsection (d) shall not apply to amounts for such fiscal year; and

“(C) notwithstanding any other provision of this title, the Secretary shall make grants under this title from such amounts to States, units of general local government, and private nonprofit organizations, pursuant to a national competition based on the criteria specified in section 404(b).

“(5) STUDY; SUBMISSION OF INFORMATION TO CONGRESS RELATED TO ALTERNATIVE METHODS OF ALLOCATION.—Not later than 1 year after the date of the enactment of the Homeless Housing Program Consolidation and Flexibility Act, the Secretary shall—

“(A) submit to Congress—

“(i) the best available methodology for determining a formula relative to the geographic allocation of funds under this subtitle among entitlement communities and nonentitlement areas based on the incidence of homelessness and factors that lead to homelessness;

“(ii) proposed alternatives to the formula submitted pursuant to clause (i) for allocating funds under this section, including an evaluation and recommendation on a 75/25 percent and other allocations of flexible block grant homeless assistance between metropolitan cities and urban counties and States under paragraph (2);

“(iii) an analysis of the deficiencies in the current allocation formula described in section 106(b) of the Housing and Community Development Act of 1974;

“(iv) an analysis of the adequacy of current indices used as proxies for measuring homelessness; and

“(v) an analysis of the bases underlying each of the proposed allocation methods;

“(B) perform the duties required by this paragraph in ongoing consultation with—

“(i) the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate;

“(ii) the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives;

“(iii) organizations representing States, metropolitan cities and urban counties;

“(iv) organizations representing rural communities;

“(v) organizations representing veterans;

“(vi) organizations representing persons with disabilities;

“(vii) members of the academic community; and

“(viii) national homelessness advocacy groups; and

“(C) estimate the amount of funds that will be received annually by each entitlement community and nonentitlement area under each such alternative allocation system and compare such amounts to the amount of funds received by each entitlement community and nonentitlement area in prior years under this section.

“(6) MINIMUM ALLOCATIONS AMOUNTS.—

“(A) IN GENERAL.—

“(i) METROPOLITAN CITIES AND URBAN COUNTIES.—Notwithstanding paragraph (3), if for any fiscal year, the allocation under subtitle C for a metropolitan city or urban county is less than 0.05 percent of the amounts available for such use, such metropolitan city or urban county shall not receive a grant and its allocation shall be added to the allocation for the State in which such metropolitan city or urban county is located, except that any such metropolitan city or urban county that received a grant under this title in a previous fiscal year shall be allocated an amount equal to 0.05 percent of the amounts appropriated for such use.

“(ii) STATES.—Notwithstanding paragraph (3), if in any fiscal year the allocation under

subtitle C for a State is less than \$2,000,000, the allocation for that State shall be increased to \$2,000,000 and the increase shall be provided by deducting pro rata amounts from the allocations under such subtitle of States with allocations of more than \$2,000,000.

“(B) GRADUATED MINIMUM GRANT ALLOCATIONS.—Notwithstanding subparagraph (A) of this paragraph and notwithstanding paragraph (3), a State, metropolitan city, or urban county shall receive no less funding under this subsection in the first full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act than 90 percent of the average of the amounts awarded annually to that jurisdiction for homeless assistance programs administered by the Secretary (not including allocations for shelter plus care and single room occupancy programs as defined in, and in effect pursuant to, this Act prior to the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act) under this title during fiscal years 1994 through 1997, no less than 85 percent in the second full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, no less than 80 percent in the third and fourth full fiscal years after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, and no less than 75 percent in the fifth full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, but only if the amount appropriated pursuant to section 435 in each such fiscal year exceeds \$800,000,000. If that amount does not exceed \$800,000,000 in any fiscal year referred to in the first sentence of this paragraph, the jurisdiction may receive its proportionate share of the amount appropriated which may be less than the amount stated in such sentence for such fiscal year.

“(7) REDUCTION.—Notwithstanding paragraphs (1) through (6), in any fiscal year, the Secretary may provide a grant under this subsection for a State, metropolitan city, or urban county, in an amount less than the amount allocated under those paragraphs, if the Secretary determines that the jurisdiction has failed to comply with requirements of this title, or that such action is otherwise appropriate.

“(d) RECAPTURE OF ALLOCATED AMOUNTS.—The Secretary shall recapture the following amounts:

“(1) UNUSED AMOUNTS.—Not less than once during each fiscal year, the Secretary shall recapture any amounts allocated under this section that—

“(A) are allocated for a State, metropolitan city or urban county, or insular area, but not provided to an eligible grantee for the jurisdiction because of failure to apply for a grant under this title or failure to comply with the requirements of this title;

“(B) were provided to a grantee and (i) recaptured under this title, or (ii) not utilized by the grantee in accordance with the purposes and objectives of the approved application of the grantee within a reasonable time period, which the Secretary shall establish; or

“(C) are returned to the Secretary by the time of such reallocation.

“(2) AMOUNTS ALLOCATED TO GRANTEE THAT FAIL TO COMPLY WITH COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY REQUIREMENTS.—Notwithstanding paragraph (1), if, for any fiscal year, a metropolitan city or urban county fails to comply with the requirement under section 405(1) during the 90-day period beginning on the date that amounts for grants under this title for such

fiscal year first become available for allocation, the amounts that would have been allocated under subsection (c) of this section for such city or county shall be reallocated for the State in which the unit is located, but only if the State has complied with the requirement under section 405(1). Any amounts that cannot be allocated for a State under the preceding sentence shall be reallocated for other metropolitan cities and urban counties and States that comply with such requirement and demonstrate extraordinary need or large numbers of homeless persons, as determined by the Secretary.

“(e) REALLOCATION OF AMOUNTS.—Any amounts allocated under subsection (b) that are recaptured pursuant to subsection (d)(1) shall be reallocated only for use under subtitle B. Any amounts allocated under subsection (c) that are recaptured pursuant to subsection (d)(1) shall be reallocated only for use under subtitle C.

“SEC. 407. MATCHING FUNDS REQUIREMENT.

“(a) IN GENERAL.—Each State, metropolitan city or urban county, and insular area for which a grant under this title is made shall supplement the amount of the grant provided under this title with an amount that is not less than—

“(1) 50 percent of the amount of such grant, if the State, metropolitan city or urban county, and insular area has indicated in its application for such grant that it will not include as a portion of its supplementation the cost or value of donated services; or

“(2) 100 percent of the grant amount, if the State, metropolitan city, urban county, or insular area indicated in its application for such grant that it will include as a portion of its supplementation the cost or value of donated services.

“(b) MATCHING REQUIREMENT FOR USE OF MORE THAN 35 PERCENT OF FUNDS FOR SUPPORTIVE SERVICES.—In addition to the supplemental funds required pursuant to subsection (a), for the second full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act and each fiscal year thereafter, a State, metropolitan city, or urban county shall supplement the grant funds for the State, metropolitan city, or urban county in an amount equal to the amount used by that State, metropolitan city, or urban county for supportive services in a fiscal year that exceeds 35 percent of the total grant amount for the State, metropolitan city, or urban county for that fiscal year.

“(c) TREATMENT OF INDEPENDENT STATE OR LOCAL GOVERNMENT FUNDS.—Any State or local government funds used independently from the program under this title, or designated for such use, to assist the homeless by carrying out activities that would be eligible for assistance under this subtitle may be counted toward the amount required pursuant to subsection (a).

“(d) AUTHORITY FOR GRANTEEES TO REQUIRE SUPPLEMENTATION.—

“(1) IN GENERAL.—Each grantee under this title may require any subgrantee or project sponsor to whom it provides such grant amounts to provide supplemental amounts required under subsections (a) and (b) with an amount of funds from sources other than this title.

“(2) AMOUNT ALLOWED TO BE REQUIRED BY GRANTEE.—

“(A) GRANT AMOUNT.—Except as provided in paragraph (3), a grantee may not require any subgrantee or project sponsor to whom it provides such grant amounts under this title to provide—

“(i) supplemental amounts required under subsection (a)(1) in an amount exceeding 25 percent of the grant amount provided to the subgrantee or project sponsor; or

“(ii) supplemental amounts required under subsection (a)(2) in an amount exceeding 50 percent of the grant amount provided to the subgrantee or project sponsor.

“(B) SUPPORTIVE SERVICES.—A grantee may require any subgrantee or project sponsor to whom it provides grant amounts under this title to provide supplemental amounts required under subsection (b) in an amount equal to the amount used by subgrantee or project sponsor for supportive services in a fiscal year that exceeds 35 percent of the total amount allocated pursuant to this subsection for that fiscal year.

“(3) SUPPLEMENTAL FUNDS MAY BE CONSIDERED AS MATCHING FUNDS.—Supplemental amounts provided by a subgrantee or project sponsor pursuant to this subsection may be considered supplemental amounts for purposes of compliance by any grantee with the requirement under subsections (a) and (b).

“(e) USE OF FUNDS.—Any supplemental funds made available in compliance with this section shall be available only to carry out eligible activities (1) under subtitle B, if the grant amounts are available only for such activities, or (2) under subtitle C, if the grant amounts are available only for such activities.

“(f) SUPPLEMENTAL FUNDS.—In determining the amount of supplemental funds provided in accordance with this section, the following amounts may be included:

“(1) Cash.

“(2) The value of any donated or purchased material or building.

“(3) The value of any lease on a building.

“(4) The proceeds from bond financing validly issued by a State or unit of general local government, agency, or instrumentality thereof, and repayable with revenues derived from the activity assisted under this title.

“(5) The amount of any salary paid to staff to carry out a program for eligible activities under subtitle B or C.

“(6) The cost or value of any donated goods.

“(7) The value of taxes, fees, or other charges that are normally and customarily imposed, but which are waived or foregone to assist in providing housing or services for the homeless.

“(8) The cost of on-site and off-site infrastructure that is directly related to and necessary for providing housing or services for the homeless.

“(9) The cost or value of any donated services, but only if the State, metropolitan city, urban county, or insular area has stated in its application for a grant under this title that it shall supplement the amount of such grant, in accordance with section 407(a)(2).

“(g) REDUCTION IN MATCHING REQUIREMENTS.—If a jurisdiction certifies to the Secretary that it is in fiscal distress (as defined in section 220(d)(2) of the Cranston-Gonzalez National Affordable Housing Act) for a fiscal year, the Secretary shall apply the matching requirement under subsection (a) to such jurisdiction for such fiscal year by reducing such percentage under subsection (a) to the same extent, in the same manner, and according to the same criteria as matching requirements are reduced under section 220(d) of the Cranston-Gonzalez National Affordable Housing Act.

“SEC. 408. PROGRAM REQUIREMENTS.

“(a) APPLICATIONS.—

“(1) FORM AND PROCEDURE.—The Secretary shall make a grant under this title only pursuant to an application for a grant submitted by an eligible grantee in the form required by this section and in accordance with such other factors and procedures as the Secretary determines to be appropriate. The Secretary may not give preference or priority to any application on the basis that

the application was submitted by any particular type of eligible grantee.

“(2) CONTENTS.—The Secretary shall require that applications contain at a minimum the following information:

“(A) GRANTS FOR PERMANENT HOUSING DEVELOPMENT ACTIVITIES.—In the case of an application for a grant available for use for activities under subtitle B or an application for a grant available for use under subtitle C for permanent housing development assistance—

“(i) a description of the permanent housing development activities to be assisted;

“(ii) a description of the entities that will carry out such activities and the programs for carrying out such activities; and

“(iii) assurances satisfactory to the Secretary that the facility will comply with the requirement under subsection (j).

“(B) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—In the case of an application for a grant available for use for activities under subtitle C—

“(i) a description of the eligible activities to be assisted, to the extent available at the time;

“(ii) in the case of a grant for a facility assisted under paragraph (1) or (2) of section 421(a), assurances satisfactory to the Secretary that the facility will comply with the requirement under subsection (j);

“(iii) in the case of a grant for a supportive housing facility assisted under this title that does not receive assistance under paragraph (1) or (2) of section 421(a), annual assurances during the period specified in the application that the facility will be operated for the purpose specified in the application for such period; and

“(iv) in the case of a grant for a supportive housing facility, reasonable assurances that the project sponsor will own or have control of a site not later than the expiration of the 12-month period beginning upon notification of an award of grant assistance, unless the application proposes providing supportive housing assisted under section 421(a)(3) or housing that will eventually be owned or controlled by the families and individuals served; except that a project sponsor may obtain ownership or control of a suitable site different from the site specified in the application.

“(C) ALL GRANTS.—In the case of an application for any grant under this title—

“(i) a description of the size and characteristics of the population, including specific references to populations with special needs, that will be served by the eligible activities assisted with grant amounts;

“(ii) a description of the public and private resources that are expected to be made available in connection with grant amounts provided;

“(iii) a description of the process to be used in compliance with section 404(b) to select eligible activities to be assisted and project sponsors;

“(iv) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing; and

“(v) a statement of whether the applicant will or will not include, as a portion of its supplementation amount required under section 407(a), the cost or value of donated services.

“(b) REQUIRED AGREEMENTS.—The Secretary may not provide a grant under this title for any applicant unless the applicant agrees—

“(1) to ensure that the eligible activities carried out with grant amounts will be carried out in accordance with the provisions of this title;

"(2) to conduct an ongoing assessment of the supportive services required by homeless persons assisted by the eligible activities and the availability of such services to such persons;

"(3) in the case of grant amounts to be used under subtitle C for a supportive housing facility or an emergency shelter, to ensure the provision of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents and users of the facility or shelter;

"(4) to monitor and report under section 431 to the Secretary on the progress of the eligible activities carried out with grant amounts;

"(5) to develop and implement procedures to ensure—

"(A) the confidentiality of records pertaining to any individual provided family violence prevention or treatment services through any activities assisted with grant amounts; and

"(B) that the address or location of any family violence shelter facility assisted with grant amounts will not be made public, except with written authorization of the person or persons responsible for the operation of such facility;

"(6) to the maximum extent practicable, to involve homeless persons and families, through employment, volunteer services, or otherwise, in carrying out eligible activities assisted with grant amounts; and

"(7) to comply with such other terms and conditions as the Secretary may establish to carry out this title in an effective and efficient manner.

"(c) OCCUPANCY CHARGE.—Any homeless person or family residing in a dwelling unit assisted under this title may be required to pay an occupancy charge in an amount determined by the grantee providing the assistance, which may not exceed an amount equal to 30 percent of the adjusted income (as such term is defined in section 3(b) of the United States Housing Act of 1937 or any other subsequent provision of Federal law defining such term for purposes of eligibility for, or rental charges in, public housing) of the person or family. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

"(d) FLOOD PROTECTION STANDARDS.—Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted with grant amounts provided under this title shall be no more restrictive than the standards applicable under Executive Order No. 11988 (42 U.S.C. 4321 note; relating to floodplain management) to the other programs in effect under this title immediately before the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

"(e) PARTICIPATION OF CITIZENS AND OTHERS.

"(1) IN GENERAL.—Each grantee shall—

"(A) each fiscal year, make available to its citizens, public agencies, and other interested parties information concerning the amount of assistance the jurisdiction expects to receive and the range of activities that may be undertaken with the assistance;

"(B) publish the proposed application in a manner that, in the determination of the Secretary, affords affected citizens, public agencies, and other interested parties a reasonable opportunity to examine its content and to submit comments on it;

"(C) each fiscal year, hold one or more public hearings to obtain the views of citizens, public agencies, and other interested parties on the housing needs of the jurisdiction; and

"(D) provide citizens, public agencies, and other interested parties with reasonable access to records regarding any uses of any as-

sistance the grantee may have received under this subtitle during the preceding 5 years.

"(2) ELECTRONIC ACCESS.—A grantee may comply with the requirement under subparagraphs (A), (B), and (D) of paragraph (1) by making the information available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely available to the public.

"(3) NOTICE AND COMMENT.—Before submitting any substantial amendment to an application under this Act, a grantee shall provide citizens with reasonable notice of, and opportunity to comment on, the amendment.

"(4) CONSIDERATION OF COMMENTS.—A grantee shall consider any comments or views of citizens in preparing a final application or amendment to an application for submission. A summary of such comments or views shall be attached when an application or amendment to an application is submitted. The submitted application or amendment shall be made available to the public.

"(5) AUTHORITY OF SECRETARY.—The Secretary shall establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to applications under this subtitle.

"(6) HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each grantee to ensure that each project sponsor assisted by the grantee provides for the participation of not less than 1 homeless person or former homeless person on the board of directors or other equivalent policymaking entity of the project sponsor, to the extent that such sponsor considers and makes policies and decisions regarding any activity, facility, supportive services, or assistance provided with grant amounts under this title. The Secretary shall provide that a grantee may grant waivers to project sponsors unable to meet the requirement under the preceding sentence if the sponsor agrees to otherwise consult with homeless or formerly homeless persons in considering and making such policies and decisions.

"(f) LIMITATION ON USE OF FUNDS.—No grant amounts received under this title (or any funds provided under section 407 or otherwise to supplement such grants) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons.

"(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—Notwithstanding any other provision of this title, of any grant amounts under this title used to carry out eligible activities, the grantee or the project sponsor may use for administrative purposes—

"(1) an amount not exceeding 5 percent of such grant amount; or

"(2) if the grantee implements use of a standardized homeless database management system to record and assess data on the usage of homeless housing, services, and client needs, and on the number of and other information related to populations with special needs, an amount not exceeding 7.5 percent of such grant amount.

"(h) HOUSING QUALITY.—

"(1) REQUIREMENT.—Assistance may not be provided with grant amounts made available for use under this title for any permanent housing development, dwelling unit, supportive housing facility, or emergency shelter that fails to comply with the housing quality standards applicable under paragraph (2) in the jurisdiction in which the housing is located, unless the deficiency is promptly corrected and the project sponsor verifies the correction.

"(2) APPLICABLE STANDARDS.—The housing quality standards applicable under this subsection to any permanent housing, dwelling

unit, supportive housing facility, or emergency shelter shall be—

"(A) in the case of permanent housing, a unit, facility, or shelter located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of such housing, units, facilities, or shelters that provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under paragraph (3), such applicable laws, regulations, standards, or codes; or

"(B) in the case of permanent housing, a unit, facility, or shelter located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), the housing quality standards established under paragraph (3).

"(3) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this paragraph that ensure that permanent housing, dwelling units, supportive housing facilities, and emergency shelters assisted under this title are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings. The Secretary shall differentiate between major and minor violations of such standards and may establish separate standards for permanent housing, dwelling units, supportive housing facilities, and emergency shelters.

"(i) TERMINATION OF ASSISTANCE.—If a person or family (not including residents of an emergency shelter) who receives assistance under this title violates program requirements, the project sponsor may terminate assistance in accordance with a formal process established by such sponsor that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

"(j) USE RESTRICTIONS.—

"(1) ACQUISITION, REHABILITATION, AND NEW CONSTRUCTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each housing facility assisted under subtitle B or subtitle C shall be operated as housing for the purpose specified in the application for assistance with amounts under this title for not less than 20 years after such facility is initially placed in service pursuant to such assistance.

"(B) EXCEPTIONS.—

"(i) INABILITY TO OPERATE FACILITY.—If, within such 20-year period, the need for maintaining the facility as housing for the purpose specified in the application for assistance ceases to exist (as determined by the Secretary pursuant to a recommendation by the chief executive officer of the appropriate unit of general local government or project sponsor, taking into consideration the comprehensive housing affordability strategy of the jurisdiction), or the project sponsor is unable to operate the facility as supportive housing, the facility may be used as affordable housing (in accordance with section 215 of the Cranston-Gonzalez National Affordable Housing Act).

"(ii) APPLICABILITY OF OTHER PROGRAM RESTRICTION.—If the housing facility receives assistance under any other Federal program (including assistance under section 42 of the Internal Revenue Code of 1986) for low-income families, homeless persons, or any other use consistent with assistance under this title, and the use restriction under such program is less than 20 years, the restriction under such program shall apply.

"(2) OTHER ASSISTANCE.—Each housing facility assisted under subtitle C shall be operated for the purposes specified in the application for assistance with amounts under

this title for the duration of the period covered by the grant.

“(3) CONVERSION.—Notwithstanding paragraphs (1) and (2), if the Secretary determines that a housing facility is no longer needed for use as housing for the purposes specified in the application for assistance and approves the use of the facility for the direct benefit of low-income persons pursuant to a request for such use by the project sponsor, the Secretary may authorize the sponsor to convert the facility to such use.

“(k) REPAYMENT OF ASSISTANCE AND PREVENTION OF UNDUE BENEFITS.—

“(l) REPAYMENT.—If a facility assisted under subtitle B or subtitle C violates the requirement under subsection (j)(1)(A) or (j)(1)(B)(ii) of this section during the 10-year period beginning upon placement of the facility in service pursuant to such assistance, the Secretary shall require the grantee to repay to the Secretary 100 percent of any grant amounts received for such facility under such paragraph. If such a facility violates such requirement after such 10-year period, the Secretary shall require the grantee to repay the percentage of any grant amounts received for such facility that is equal to 100 percent minus 10 percent for each year in excess of 10 that the facility is operated as supportive housing.

“(2) PREVENTION OF UNDUE BENEFITS.—Except as provided in paragraph (3), upon any sale or other disposition of a facility assisted under subtitle B or C occurring before the expiration of the 20-year period beginning on the date that the facility is placed in service, the project sponsor shall comply with such terms and conditions as the Secretary may prescribe to prevent the sponsor from unduly benefiting from such sale or disposition.

“(3) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any sale or disposition of a facility that results in the use of the facility for the direct benefit of very low-income families if all of the proceeds are used to provide housing meeting the requirements of subtitle B or C.

“(4) FAILURE TO OBTAIN SITE.—If a grantee of assistance made available for use under this title obligates assistance for a housing facility other than a facility under section 421(a)(3) or housing that will eventually be owned or controlled by the families and individuals served, and the project sponsor fails to obtain ownership or control of a suitable site for a proposed supportive housing facility during the 12-month period beginning upon the notification of an award of grant assistance, the grantee shall recapture the assistance and make such assistance available under this subtitle.

“(l) LOCAL BOARDS.—

“(1) ESTABLISHMENT AND FUNCTION.—The head of the executive branch of government of each grantee shall establish and appoint members to a local board, which shall assist the jurisdiction in—

“(A) determining whether the grant should be administered by the jurisdiction, a public agency, a private nonprofit organization, the State, or the Secretary;

“(B) developing the application under section 408;

“(C) overseeing the activities carried out with assistance under this title; and

“(D) preparing the performance report under section 431.

“(2) COMPOSITION OF LOCAL BOARDS.—

“(A) NOMINATION.—Members of a local board appointed to meet the requirements of subparagraph (D) shall be nominated by persons, other than governmental officials or entities, that represent the groups listed in subparagraph (D).

“(B) PRIORITY.—Persons who will improve access to a broad range of services for homeless persons and who are sensitive to the

varying needs of homeless persons, including veterans, the mentally ill, families with children, young persons, battered spouses, victims of substance abuse, and persons with AIDS, shall be given preference when selecting local board members.

“(C) COMMUNITY SUPPORT CONSIDERED.—In appointing members to the local board, the chief executive of each grantee shall consider the extent of support for the nominee in the community which the board shall serve.

“(D) MAJORITY.—Not less than 51 percent of the members of a local board shall be composed of—

“(i) homeless or formerly homeless persons;

“(ii) persons who act as advocates for homeless persons; and

“(iii) persons who provide assistance to homeless persons, including representatives of local veterans organizations and veteran service providers who assist homeless veterans.

“(E) OTHER LOCAL BOARD MEMBERS.—After the requirements of subparagraph (D) are met, other members of a local board shall be chosen from—

“(i) members of the business community of the jurisdiction receiving the grant;

“(ii) members of neighborhood advocates in the jurisdiction receiving the grant; and

“(iii) government officials of the jurisdiction receiving the grant.

“(3) WAIVER OF REQUIREMENTS FOR LOCAL BOARD.—The Secretary may waive the requirements of this subsection if the jurisdiction has an existing board that substantially meets the requirements of this subsection.

“(m) COORDINATION OF HOMELESS PROGRAMS.—

“(1) PURPOSE.—The purpose of the consultation and coordination required under this subsection is to provide various services, activities, and assistance for homeless persons and families in an efficient, effective, and targeted manner designed to meet the comprehensive needs of the homeless.

“(2) IN GENERAL.—The Chairperson of the Interagency Council on the Homeless shall consult and coordinate with the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Education, the Secretary of Veterans Affairs, and the Secretary of Agriculture and shall ensure that assistance for federally funded activities for the homeless is made available, to the greatest extent practicable, in conjunction and coordination with assistance for other federally funded activities for the homeless and with assistance under this title.

“(3) REQUIREMENTS FOR HOUSING ASSISTANCE.—The Secretary shall establish such requirements as the Secretary considers necessary to ensure that grant amounts provided under this title are used by grantees and project sponsors, to the greatest extent practicable, in coordination and in conjunction with federally funded activities for the homeless.

“(4) DEFINITION.—For purposes of this subsection, the term ‘federally funded activities for the homeless’ means activities to assist homeless persons, including homeless veterans, or homeless families that are funded (in whole or in part) with amounts provided by the Federal Government (other than amounts provided under this title) and includes—

“(A) the programs for health care under sections 340 and part C of title V of the Public Health Service Act;

“(B) the programs for education, training and community services under title VII of the Stewart B. McKinney Homeless Assistance Act;

“(C) food assistance for homeless persons and families through the food programs under the Food Stamp Act of 1977 and the Emergency Food Assistance Act of 1983;

“(D) the job training, housing, and medical programs for homeless veterans of the Department of Veterans Affairs;

“(E) the job corps centers for homeless families program under section 433A of the Job Training Partnership Act;

“(F) the program for preventive services for children of homeless families or families at risk of homelessness under title III of the Child Abuse Prevention and Treatment Act;

“(G) the programs under the Runaway and Homeless Youth Act; and

“(H) assistance for homeless persons, including homeless veterans, and families under State programs funded under supplemental security income programs under part A of title IV or under title XVI of the Social Security Act.

“(5) COMPANION SERVICES BLOCK GRANTS IN CASES OF FAILURE TO COMPLY.—

“(A) IN GENERAL.—If, for any fiscal year, the Chairperson of the Interagency Council on the Homeless determines that adequate coordination has not taken place to ensure that assistance for federally funded activities for the homeless is made available in conjunction and coordination with assistance under this title (as required under paragraph (2)), the Chairperson of the Interagency Council on the Homeless and the Secretary, in consultation with the Interagency Council on the Homeless, shall carry out a program under subparagraph (B) to make companion services block grants available for such fiscal year.

“(B) COMPANION SERVICE BLOCK GRANTS.—The block grant program under this subparagraph shall provide block grants, using amounts available pursuant to subparagraph (C), to eligible grantees under this title to provide services of the type available under the programs referred to in paragraph (4) in connection with housing assistance under this title.

“(C) FUNDING.—

“(i) IN GENERAL.—Notwithstanding any other provision of law, in any fiscal year in which block grants are to be provided in accordance with subparagraph (A), there shall be available for such block grants, of the amount made available for such fiscal year for each activity referred to in paragraph (4), 10 percent of such amount, as determined by the Secretary and the Interagency Council on the Homeless.

“(ii) LIMITATION.—Notwithstanding clause (i), the aggregate amount available for companion services block grants under this paragraph for a fiscal year shall not exceed the total amount made available pursuant to section 435 for housing assistance under this title. If, for any fiscal year, the amount determined under clause (i) exceeds such amount, the Secretary shall reduce the percentage under clause (i) for such year so that the aggregate amount made available for companion services block grants under this paragraph from the amounts for each activity referred to in paragraph (4) is equal to the total amount made available pursuant to section 435 for housing assistance under this title.

“(D) TRANSFER AUTHORITY.—Except to the extent that the authority of the Secretary and the Chairperson of the Interagency Council on the Homeless is limited by appropriations, and with the concurrence of the head of the affected agency and upon advance approval of the Committees on Appropriations and the authorizing committees of the House of Representatives and the Senate, the Secretary and the Chairperson of the Interagency Council on the Homeless shall

transfer funds made available under subparagraph (C) to the companion services block grant for federally funded activities, functions, or programs for the homeless.

"(E) REPORT.—Not later than the first quarter of the first full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act and each quarter thereafter, the Secretary and the Chairperson of the Interagency Council on the Homeless shall report to Congress on—

"(i) the need for any reprogramming or transfer of funds appropriated for federally funded activities, functions, or programs for the homeless; and

"(ii) any funds appropriated for federally funded activities, functions, or programs for the homeless that were reprogrammed or transferred during the quarter covered by the report.

"(n) CONSULTATION REGARDING USE OF NATIONAL GUARD FACILITIES AS HOMELESS SHELTERS.—The Secretary may not provide a grant for a fiscal year from amounts for such year allocated under section 406(c) for use under subtitle C for a State unless the State has consulted with the Secretary regarding the possibility of making any space at National Guard facilities under the jurisdiction of the State available, during such fiscal year, for use by homeless organizations to provide shelter to homeless persons, but only at the times that such space is not actively being used for National Guard purposes or other public purposes already undertaken.

"SEC. 409. SUPPORTIVE SERVICES.

"(a) REQUIREMENT.—To the extent allowed by this title, each project sponsor administering permanent housing development assistance provided with amounts under this title or a supportive housing facility or emergency shelter assisted with such amounts shall provide supportive services for residents of the dwelling units or facility or shelter assisted. The array of supportive services provided may be designed by the grantee or the project sponsor administering the assistance, facility, or shelter. A project sponsor administering a supportive housing facility shall provide supportive services for other homeless persons using the facility.

"(b) TARGETING POPULATIONS WITH SPECIAL NEEDS.—Supportive services provided with grant amounts under this title shall address the special needs of homeless persons (such as homeless persons with disabilities, homeless persons with acquired immunodeficiency syndrome and related diseases, homeless persons who have chronic problems with alcohol or drugs (or both), veterans who are homeless, and homeless families with children) intended to be served.

"(c) SERVICES.—Supportive services may include activities such as—

"(1) establishing and operating a child care services program for homeless families;

"(2) establishing and operating an employment assistance program;

"(3) providing outpatient health services, food, and case management;

"(4) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling;

"(5) providing security arrangements necessary for the protection of residents of supportive housing or emergency shelters and for homeless persons using supportive housing facilities;

"(6) providing assistance in obtaining other Federal, State, and local assistance available for such residents and persons (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment); and

"(7) providing other appropriate services.

"(d) PROVISION OF SERVICES.—Supportive services provided with grant amounts under

this title may be provided directly by the grantee, by the project sponsor administering the permanent housing development assistance or the facility or shelter, or by contract with other public or private service providers. Such services provided in connection with a supportive housing facility may be provided to homeless persons who do not reside in the supportive housing, but only to the extent consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the applicable jurisdiction.

"SEC. 410. NONDISCRIMINATION IN PROGRAMS AND ACTIVITIES.

"No person in the United States shall on the basis of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this subtitle. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual, as provided in section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.

"Subtitle B—Permanent Housing Development Activities

"SEC. 411. USE OF AMOUNTS AND GENERAL REQUIREMENTS.

"(a) USE OF AMOUNTS FOR PERMANENT HOUSING DEVELOPMENT.—

"(1) AUTHORIZED USE.—A State, metropolitan city, or urban county that receives a grant under section 402(b)(2) from amounts allocated for use under this subtitle may use grant amounts (and any supplemental amounts provided under section 407) only to carry out permanent housing development activities within such State, metropolitan city, or urban county. For purposes of this subtitle, the term 'permanent housing development activities' means activities to construct, substantially rehabilitate, or acquire structures to provide permanent housing, including the capitalization of a dedicated project account from which long-term assistance payments (which may include operating costs or rental assistance) can be made in order to facilitate such activities, and activities under section 441 of the this Act, as in effect on October 31, 1997 (subject to the limitation in section 406(b)(3) of this Act).

"(2) USE FOR SUPPORTIVE SERVICES PROHIBITED.—Amounts allocated for use under this subtitle may not be used for supportive services activities.

"(b) USE THROUGH NONPROFIT ORGANIZATIONS.—

"(1) IN GENERAL.—A grantee that receives grant amounts for a fiscal year for use under this subtitle may, pursuant to section 404, provide such amounts to units of general local government and private nonprofit organizations for use in accordance with this subtitle, except that the grantee shall ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations.

"(2) WAIVER OF USE OF NONPROFIT REQUIREMENT.—The Secretary may waive the requirement under paragraph (1) that a grantee ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations if the Secretary determines that there are not sufficient private nonprofit organizations available to the grantee to meet that requirement.

"(c) ADMINISTRATIVE FEE.—To the extent provided in section 408(g), grant amounts provided under this subtitle may be used by

the project sponsor providing such assistance for costs of administering such assistance.

"(d) TARGETING POPULATIONS WITH SPECIAL NEEDS.—To the maximum extent practicable, a grantee shall provide for use of grant amounts made available under this subtitle in a manner that provides permanent housing for homeless persons with disabilities, homeless persons with acquired immunodeficiency syndrome or related diseases, homeless persons who have chronic problems with alcohol or drugs (or both), homeless families with children, and veterans who are homeless.

"SEC. 412. PERMANENT HOUSING DEVELOPMENT.

"(a) IN GENERAL.—Housing shall be considered permanent housing for purposes of this title if the housing—

"(1) provides long-term housing for homeless persons;

"(2) complies with any applicable State and local housing codes, licensing requirements, or other requirement in the jurisdiction in which the housing is located, including any applicable State or local requirements regarding the number of occupants in such a facility; and

"(3) complies with the requirement under section 409(a) regarding providing supportive services for homeless persons.

"(b) CLARIFICATION.—Permanent housing may—

"(1) be restricted for occupancy by homeless persons with disabilities;

"(2) consist of or contain full dwelling units or dwelling units that do not contain bathrooms or kitchen facilities; and

"(3) be provided in the form of rental housing, cooperative housing, shared living arrangements, single family housing, or other types of housing arrangements.

"Subtitle C—Flexible Block Grant Homeless Assistance

"SEC. 421. ELIGIBLE ACTIVITIES.

"(a) IN GENERAL.—Grant amounts allocated for use under this subtitle may be used only for carrying out the following activities:

"(1) ACQUISITION AND REHABILITATION OF SUPPORTIVE HOUSING.—For acquisition or rehabilitation of an existing structure (including a small commercial property or office space) to provide supportive housing other than emergency shelter or to provide supportive services; the repayment of any outstanding debt owed on a loan made to purchase an existing structure for use as supportive housing shall be considered to be a cost of acquisition under this paragraph if the structure was not used as supportive housing or to provide supportive services, before assistance is provided using grant amounts.

"(2) NEW CONSTRUCTION OF SUPPORTIVE HOUSING.—For new construction of a structure to be used as supportive housing.

"(3) LEASING OF SUPPORTIVE HOUSING.—For leasing of an existing structure or structures, or portions thereof, to provide supportive housing or supportive services during the period covered by the application.

"(4) OPERATING COSTS FOR SUPPORTIVE HOUSING.—For covering operating costs of supportive housing (which shall include capital costs for utilizing any interactive computer or telephone services and other electronic information networks and systems appropriate for assisting homeless families); except that grant amounts provided under this subtitle may not be used to cover more than 75 percent of the annual operating costs of such housing.

"(5) HOMELESSNESS PREVENTION.—

"(A) IN GENERAL.—For activities designed to help persons (including veterans who are at risk of becoming homeless) and families

avoid becoming homeless, which shall include assistance for making mortgage payments, rental payments, and utility payments and any activities other than those found by the Secretary to be inconsistent with the purposes of this Act.

“(B) PERSONS ELIGIBLE FOR ASSISTANCE.—Assistance under this paragraph may be provided only to very low-income families who have received eviction (or mortgage delinquency or foreclosure) notices or notices of termination of utility services and who—

“(i) are unable to make the required payments due to a sudden reduction in income; “(ii) need such assistance to avoid homelessness due to the eviction or termination of services; and

“(iii) have a reasonable prospect of being able to resume payments within a reasonable period of time.

“(C) LIMITATION.—Assistance under this paragraph may be provided only if such assistance will not supplant funding for pre-existing homelessness prevention activities from other services.

“(6) PERMANENT HOUSING DEVELOPMENT ACTIVITIES.—For providing permanent housing development activities as described in subtitle B.

“(7) EMERGENCY SHELTER.—For—

“(A) renovation, major rehabilitation, or conversion of a building or buildings to be used as emergency shelters;

“(B) covering costs of supportive services in connection with an emergency shelter, if such services do not supplant any services provided by the local government during any part of the 12-month period ending on the date of the commencement of the operation of the emergency shelter; and

“(C) covering costs relating to maintenance, operation, insurance, utilities, and furnishings for emergency shelters.

“(8) SUPPORTIVE SERVICES.—To the extent provided in section 406, for covering costs of supportive services provided to homeless persons in connection with a permanent or supportive housing facility or otherwise.

“(9) TECHNICAL ASSISTANCE.—For technical assistance in carrying out the purposes of this title, except that the Secretary may provide such technical assistance directly to any grantee, including nonprofit sponsors who are proposing project applications for populations with special needs.

“(b) USE FOR HOUSING ACTIVITIES.—Of the aggregate of any grant amounts provided to a grantee for a fiscal year for use under this subtitle and the supplemental amounts provided for such fiscal year by the grantee in accordance with section 407, the grantee shall ensure that an amount that is not less than such grant amounts (less any amount used pursuant to section 408(g)) is used for eligible activities described in paragraphs (1) through (6) of subsection (a).

“SEC. 422. USE OF AMOUNTS THROUGH PRIVATE NONPROFIT PROVIDERS.

“(a) IN GENERAL.—In each fiscal year, each grantee of amounts for use under this subtitle shall ensure that more than 50 percent of the amounts received by the grantee for such fiscal year are used for carrying out eligible activities under section 421 through project sponsors that are private nonprofit organizations.

“(b) WAIVER.—The Secretary may waive the requirement under subsection (a) that a grantee ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations if the Secretary determines that there are not sufficient private nonprofit organizations available to the grantee to meet that requirement.

“SEC. 423. SUPPORTIVE HOUSING.

“(a) IN GENERAL.—Housing shall be considered supportive housing for purposes of this subtitle if—

“(1) the housing complies with the requirement under section 409(a) regarding providing supportive services for homeless persons;

“(2) the housing complies with any applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located; and

“(3) the housing—

“(A) is transitional housing; or

“(B) is permanent supportive housing as described in section 412.

“(b) TRANSITIONAL HOUSING.—For purposes of this section, the term ‘transitional housing’ means housing, the purpose of which is to facilitate the movement of homeless persons and families to permanent housing within 24 months or such longer period as the Secretary determines necessary. Assistance may be denied for housing based on a violation of this subsection only if a substantial number of homeless persons or families have remained in the housing longer than such period.

“(c) SINGLE ROOM OCCUPANCY DWELLINGS.—For purposes of this section, a facility may provide supportive housing or supportive services in dwelling units that do not contain bathrooms or kitchen facilities and are appropriate for use as supportive housing or in facilities containing some or all such dwelling units.

“(d) SAFE HAVEN HOUSING.—For purposes of this section, supportive housing may be a structure or a clearly identifiable portion of a structure that—

“(1) provides housing and low-demand services and referrals for homeless persons with serious mental illness—

“(A) who are currently residing primarily in places not designed for, or ordinarily used as, regular sleeping accommodations for human beings; and

“(B) who have been unwilling or unable to participate in mental health or substance abuse treatment programs or to receive other supportive services; except that a person whose sole impairment is substance abuse shall not be considered an eligible person;

“(2) provides 24-hour residence for eligible individuals who may reside for an unspecified duration;

“(3) provides private or semi-private accommodations;

“(4) may provide for the common use of kitchen facilities, dining rooms, and bathrooms;

“(5) may provide supportive services to eligible persons who are not residents on a drop-in basis; and

“(6) provides occupancy limited to no more than 25 persons.

“SEC. 424. EMERGENCY SHELTER.

“(a) IN GENERAL.—A facility shall be considered emergency shelter for purposes of this subtitle if the facility is designed to provide overnight sleeping accommodations for homeless persons and complies with the requirements under this section. An emergency shelter may include appropriate eating and cooking accommodations.

“(b) REQUIREMENTS.—Grant amounts under this subtitle may be used for eligible activities under section 421(a)(7) relating to emergency shelter only if—

“(1) the Secretary determines that—

“(A) use of such amounts is necessary to meet the emergency shelter needs of the jurisdiction in which the facility is located; and

“(B) the use of such amounts for such activities will not violate the prohibition under section 408(f); and

“(2) the project sponsor agrees that it will—

“(A) in the case of assistance involving major rehabilitation or conversion of a building, maintain the building as a shelter for homeless persons and families for not less than a 10-year period unless, within such 10-year period, the need for maintaining the building as a full-time shelter ceases to exist and the building is used for the remainder of such period to carry out other eligible activities under this subtitle;

“(B) in the case of assistance involving rehabilitation (other than major rehabilitation or conversion of a building), maintain the building as a shelter for homeless persons and families for not less than a 3-year period;

“(C) in the case of assistance involving only activities described in subparagraphs (B) and (C) of section 421(a)(7), provide services or shelter to homeless persons and families at the original site or structure or other sites or structures serving the same general population for the period during which such assistance is provided;

“(D) comply with the standards of housing quality applicable under section 408(h); and

“(E) assist homeless persons in obtaining—

“(i) appropriate supportive services, permanent housing, medical and mental health treatment (including information and counseling regarding the benefits and availability of child immunization), counseling, supervision, veterans benefits, and other services essential for achieving independent living; and

“(ii) other Federal, State, local, and private assistance available for homeless persons.

“Subtitle D—Reporting, Definitions, and Funding

“SEC. 431. PERFORMANCE REPORTS BY GRANTEEES.

“(a) REQUIREMENT.—For each fiscal year, each grantee under this title shall review and report, in a form acceptable to the Secretary, on the progress it has made during such fiscal year in carrying out the activities described in the application resulting in such grant and the relationship of such activities to the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the applicable jurisdiction.

“(b) CONTENT.—Each report under this section for a fiscal year shall—

“(1) describe the use of grant amounts provided to the grantee for such fiscal year;

“(2) to the extent practicable until the development of a reasonable methodology by the Secretary and the Interagency Council on the Homeless, describe the number of homeless persons and families, including populations with special needs provided shelter, housing, or assistance using such grant amounts;

“(3) assess the relationship of such use to the goals identified pursuant to section 105(b)(2) of the Cranston-Gonzalez National Affordable Housing Act in the comprehensive housing affordability strategy for the applicable jurisdiction;

“(4) indicate the grantee’s programmatic accomplishments;

“(5) describe how the grantee would change its programs as a result of its experiences; and

“(6) describe any delays that occurred in the start up of programs and the reason for each delay.

“(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title. The Secretary may withhold or reallocate funds granted to a

grantee if the Secretary finds that the grantee has complied with applicable program requirements, but not substantially complied with the application that the grantee submitted to obtain such funds.

“(d) PUBLIC AVAILABILITY.—

“(1) IN GENERAL.—A grantee preparing a report under this section shall make the report publicly available to the citizens in the jurisdiction of the grantee in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the grantee may determine. The report shall include a summary of any such comments received by the grantee regarding its program.

“(2) ELECTRONIC ACCESS.—A grantee may comply with the requirement under paragraph (1) by making the report available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely publicly available. The Secretary shall make each final report submitted under this section publicly available through such a computer, telephone, or information service, network, or system.

“(e) AUTHORITY OF SECRETARY.—The Secretary shall establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to performance reports under this section.

“SEC. 432. ANNUAL REPORT BY SECRETARY.

“The Secretary shall include in the annual report, under section 8 of the Department of Housing and Urban Development Act, information summarizing the activities carried out under this title and setting forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. Such information shall be made publicly available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely available to the public.

“SEC. 433. DEFINITIONS.

“For purposes of this title, the following definitions shall apply:

“(1) APPLICANT.—The term ‘applicant’ means an eligible grantee that submits an application under section 408(a) for a grant under this title.

“(2) ELIGIBLE GRANTEE.—The term ‘eligible grantee’ is defined in section 403.

“(3) FACILITY.—The term ‘facility’ means a structure or structures (or a portion of such structure or structures) that are assisted through eligible activities under subtitle C with grant amounts under this title (or for which the Secretary provides technical assistance under section 421(a)(9)).

“(4) GRANTEE.—The term ‘grantee’ means an applicant that receives a grant under this title.

“(5) INSULAR AREA.—The term ‘insular area’ means each of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other territory or possession of the United States.

“(6) METROPOLITAN CITY, CONSORTIUM.—The term ‘metropolitan city’ has the meaning given that term in section 102 of the Housing and Community Development Act of 1974. A consortium of units of general local governments shall be considered to be a metropolitan city—

“(A) for amounts allocated in accordance with section 406(c)(3), only if the consortium received a formula grant for fiscal year 1996 or 1997 under subtitle B of this title, as then in effect; and

“(B) for amounts allocated in accordance with any formula developed pursuant to section 406(c)(5), only if the Secretary determines that the consortium—

“(i)(I) is comprised of units of general local government which are geographically contiguous (which may include all units of general local government within a State);

“(II) has sufficient authority and administrative capability to carry out the purposes of this title on behalf of its member jurisdictions; and

“(III) will, according to a written certification by the State (or States, if the consortium includes jurisdictions in more than one State) in which its member jurisdictions are located, direct its activities to alleviation of homelessness problems within the State (or States); or

“(ii) received a formula grant for fiscal year 1996 or 1997 under subtitle B of this title, as then in effect.

“(7) NONENTITLEMENT AREA.—The term ‘nonentitlement area’ means an area that is not a metropolitan city or part of an urban county and does not include Indian tribes or insular areas.

“(8) OPERATING COSTS.—The term ‘operating costs’ means expenses incurred by a grantee operating supportive housing assisted with grant amounts under this title, with respect to—

“(A) the administration, maintenance, repair, and security of such housing;

“(B) utilities, fuel, furnishings, and equipment for such housing; and

“(C) the conducting of the assessment under section 408(b)(2).

“(9) OUTPATIENT HEALTH SERVICES.—The term ‘outpatient health services’ means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management.

“(10) PERSON WITH DISABILITIES.—The term ‘person with disabilities’ means a person who—

“(A) has a disability as defined in section 223 of the Social Security Act;

“(B) is determined to have, pursuant to regulations issued by the Secretary, a physical, mental, or emotional impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes an individual’s ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

“(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

“(11) PRIVATE NONPROFIT ORGANIZATION.—The term ‘private nonprofit organization’ means any private organization that—

“(A) is organized under State or local laws;

“(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

“(C) complies with standards of financial accountability acceptable to the Secretary; and

“(D) has among its purposes significant activities related to the provision of—

“(i) decent housing that is affordable to low-income and moderate-income families; or

“(ii) shelter, housing, or services for homeless persons or families or for persons or families at risk of becoming homeless.

“(12) PROJECT SPONSOR.—The term ‘project sponsor’ means an entity that uses grant amounts under this title to carry out a permanent housing development program under subtitle B or eligible activities under subtitle C. The term includes a grantee carrying out such a program or activities.

“(13) SECRETARY.—The term ‘Secretary’ means the Secretary of Housing and Urban Development.

“(14) STATE.—The term ‘State’ means each of the several States and the Commonwealth of Puerto Rico.

“(15) SUPPORTIVE HOUSING.—The term ‘supportive housing’ means a facility that meets the requirements of section 423.

“(16) SUPPORTIVE SERVICES.—The term ‘supportive services’ means services under section 409.

“(17) URBAN COUNTY, UNIT OF GENERAL LOCAL GOVERNMENT.—The terms ‘urban county’ and ‘unit of general local government’ have the meanings given the terms in section 102 of the Housing and Community Development Act of 1974.

“(18) VERY LOW-INCOME FAMILIES.—The term ‘very low-income families’ has the same meaning given the term under section 3(b) of the United States Housing Act of 1937 (or any other subsequent provision of Federal law defining such term for purposes of eligibility for, or rental charges in, public housing).

“SEC. 434. REGULATIONS.

“(a) ISSUANCE.—Not later than the expiration of the 30-day period beginning upon the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, the Secretary shall issue interim regulations to carry out this title. The Secretary shall issue final regulations to carry out this title after notice and opportunity for public comment regarding the interim regulations in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section), but not later than the expiration of the 90-day period beginning upon the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

“(b) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations under this section shall not affect the effectiveness of any provision of this title pursuant to section 4(b) of the Homeless Housing Programs Consolidation and Flexibility Act.

“SEC. 435. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated for grants under this title \$1,000,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

“(b) PROHIBITION ON SET ASIDES.—Notwithstanding any other provision of law, any attempt to put any restriction on the use of funds appropriated for this title (such as for use in special projects) shall be considered an appropriation without authorization and shall be without force or effect.”

“(b) APPLICABILITY.—The provisions of the amendment made by subsection (a) shall apply with respect to fiscal year 1998 and each fiscal year thereafter.

SEC. 6. INTERAGENCY COUNCIL ON THE HOMELESS.

(a) CHAIRPERSON AND VICE CHAIRPERSON.—Section 202(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11312(b)) is amended to read as follows:

“(b) CHAIRPERSON AND VICE CHAIRPERSON.—

“(1) CHAIRPERSON.—The Council shall elect a Chairperson from among its members, who shall have a term of 2 years. A member of the Council by reason of any of paragraphs (1) through (16) of subsection (a) who serves as Chairperson for a term may not be elected to serve as Chairperson for the succeeding term. The preceding sentence shall not apply to any member serving as Chairperson on the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

“(2) VICE CHAIRPERSON.—The Vice Chairperson of the Council shall have a term of 2 years and shall be—

"(A) the Secretary of Housing and Urban Development, if such Secretary is not elected as the Chairperson of the Council; or

"(B) elected by the Council from among its members, if the Secretary of Housing and Urban Development is elected as the Chairperson of the Council.

"(3) Notwithstanding paragraphs (1) and (2), the first Chairperson elected after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act may not be the Secretary of Housing and Urban Development."

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 208 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11318) is amended to read as follows:

"SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

"Of any amounts made available in any fiscal year to carry out this Act, 0.0012 of such amounts shall be available to carry out this title."

(c) **TERMINATION.**—Section 209 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11319) is amended by striking "October 1, 1994" and inserting "October 1, 2002".

(d) **REPEAL.**—Section 210 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11320) is hereby repealed.

SEC. 7. INVENTORY OF FEDERAL FACILITIES SUITABLE FOR OVERNIGHT SHELTER FOR HOMELESS PERSONS.

(a) **IDENTIFICATION.**—Not later than 30 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall request, from the head of each executive agency, information that identifies each covered facility (or any parts thereof) under the control of the executive agency that is suitable for use as temporary overnight shelter for homeless persons.

(b) **CONSULTATION.**—At the request of the head of any executive agency, the Secretary shall consult with such agency head regarding whether facilities of the agency, or a particular facility or facilities, are covered facilities or are suitable for use as temporary overnight shelter for homeless persons.

(c) **COMPILATION AND PUBLICATION.**—Not later than 60 days after the date of the enactment of this Act, the Secretary shall compile the information submitted pursuant to subsection (a) and cause the compiled information to be published in the Federal Register a list of all covered facilities identified as suitable for use as temporary overnight shelter for homeless persons.

(d) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **COVERED FACILITY.**—The term "covered facility" means any building, structure, land, or other real property that, in the determination of the head of the Federal agency having control of the property, using standards that shall be established by the Secretary, reasonably could be made available for the use described in subsection (a) without substantial conflict with any other existing, expected, or potential use of the property to carry out the mission of the agency.

(2) **EXECUTIVE AGENCY.**—The term "executive agency" has the meaning given such term in section 105 of title 5, United States Code.

(3) **HOMELESS PERSON.**—The term "homeless person" has the meaning given such term in section 102 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(4) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 8. REPEALS AND CONFORMING AMENDMENTS.

(a) **REPEALS.**—The following provisions of law are hereby repealed:

(1) **INNOVATIVE HOMELESS INITIATIVES DEMONSTRATION.**—Section 2 of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note).

(2) **FHA SINGLE FAMILY PROPERTY DISPOSITION FOR HOMELESS USE.**—Section 1407 of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 4034).

(3) **HOUSING FOR RURAL HOMELESS AND MIGRANT FARMWORKERS.**—Subsection (k) of section 516 of the Housing Act of 1949 (42 U.S.C. 1486(k)).

(b) **TERMINATION OF SRO ASSISTANCE PROGRAM.**—Section 8(e)(2) of the United States Housing Act of 1937 shall not be in effect on or after the date of the enactment of this Act as provided in subsections (a)(4) and (b)(2) of section 289 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12839).

(c) **CONFORMING AMENDMENTS TO YOUTHBUILD PROGRAM.**—Title IV of the Cranston-Gonzalez National Affordable Housing Act is amended—

(1) in section 455(b) (42 U.S.C. 12899d(b)) by inserting "subtitle C of" before "title IV"; and

(2) in section 457(4) (42 U.S.C. 12899f(4)), by striking "section 103" and inserting "section 102".

(d) **CLERICAL AMENDMENT.**—The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended by striking the items relating to titles I, II, III, and IV (including the items relating to the subtitles, parts, and sections of such titles) and inserting the following new items:

"TITLE I—GENERAL PROVISIONS

"Sec. 101. Short title and table of contents.

"Sec. 102. General definition of homeless individual.

"Sec. 103. Funding availability and limitations.

"Sec. 104. Annual program summary by Comptroller General.

"TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

"Sec. 201. Establishment.

"Sec. 202. Membership.

"Sec. 203. Functions.

"Sec. 204. Director and staff.

"Sec. 205. Powers.

"Sec. 206. Transfer of functions.

"Sec. 207. Definitions.

"Sec. 208. Authorization of appropriations.

"Sec. 209. Termination.

"TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

"Subtitle A—Administrative Provisions

"Sec. 301. Emergency Food and Shelter Program National Board.

"Sec. 302. Local boards.

"Sec. 303. Role of Federal Emergency Management Agency.

"Sec. 304. Records and audit of National Board and grantees of assistance.

"Sec. 305. Annual report.

"Subtitle B—Emergency Food and Shelter Grants

"Sec. 311. Grants by the Director.

"Sec. 312. Retention of interest earned.

"Sec. 313. Purposes of grants.

"Sec. 314. Limitation on certain costs.

"Sec. 315. Disbursement of funds.

"Sec. 316. Program guidelines.

"Subtitle C—General Provisions

"Sec. 321. Definitions.

"Sec. 322. Authorization of appropriations.

"TITLE IV—PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM

"Subtitle A—General Provisions

"Sec. 401. Purpose; performance measures.

"Sec. 402. Grant authority.

"Sec. 403. Eligible grantees.

"Sec. 404. Use of project sponsors.

"Sec. 405. Comprehensive housing affordability strategy compliance.

"Sec. 406. Allocation and availability of amounts.

"Sec. 407. Matching funds requirement.

"Sec. 408. Program requirements.

"Sec. 409. Supportive services.

"Sec. 410. Nondiscrimination in programs and activities.

"Subtitle B—Permanent Housing Development Activities

"Sec. 411. Use of amounts and general requirements.

"Sec. 412. Permanent housing development.

"Subtitle C—Flexible Block Grant Homeless Assistance

"Sec. 421. Eligible activities.

"Sec. 422. Use of amounts through private nonprofit providers.

"Sec. 423. Supportive housing.

"Sec. 424. Emergency shelter.

"Subtitle D—Reporting, Definitions, and Funding

"Sec. 431. Performance reports by grantees.

"Sec. 432. Annual report by Secretary.

"Sec. 433. Definitions.

"Sec. 434. Regulations.

"Sec. 435. Authorization of appropriations."

SEC. 9. SAVINGS PROVISION.

Nothing in this Act may be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement entered into before the date of the enactment of this Act under any provision of law repealed or amended by this Act.

SEC. 10. TREATMENT OF PREVIOUSLY OBLIGATED AMOUNTS.

Notwithstanding the amendment or repeal of any provision of law by this Act, any amounts appropriated to carry out the provisions so amended or repealed that are obligated before the date of the enactment of this Act shall be used in the manner provided, and subject to any requirements and agreements entered into, under such provisions as such provisions were in effect immediately before such date of enactment.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. LAZIO).

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume, and I would begin by thanking the gentleman from Massachusetts (Mr. KENNEDY), the ranking member on the committee, for his cooperation throughout the process. I will have more to say about him later, because I think this product is largely an effort of cooperation between the two sides, and I am proud of that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. LEACH), the great chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding me this time, and let me just say that this particular bill, which is a homeless housing consolidation act, was introduced by our distinguished chairman of the Subcommittee on Housing of the Committee on Banking and Financial Services,

the gentleman from New York (Mr. LAZIO). It has received a great deal of partisan input, led by the gentleman from Massachusetts (Mr. KENNEDY), and a number of refinements from the administration and Mr. Cuomo, Secretary of HUD.

I personally think it is a common sense, thoughtful, constructive way to proceed with homeless housing. It represents a commitment of Congress to this arena of public concern, which is one of the most extraordinary in this country at this time. For a country the size of ours to have the depth of our problems is clearly a national embarrassment that takes a great deal of national commitment to overcome.

I would just like to suggest to my colleagues that this is one of these kinds of bills that has had the input of lots of parties and certainly the gentleman from Massachusetts, in his support, symbolizes that; but the gentleman from New York, again, this distinguishes him as one of the pre-eminent subcommittee chairmen of the House, and I am very appreciative of his leadership on this issue.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume to say, first and foremost, that I would like to again commend the chairman of the Subcommittee on Housing and let him know what a great job I think he has done on this bill and look forward to a strong vote on this bill in a few minutes.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAFALCE), the new ranking member. I think this is his first time on the House floor as the ranking member of our Committee on Banking and Financial Services, and we all appreciate the dedication and support he has shown not only to housing but in looking out for working families across the board.

□ 1430

Mr. LAFALCE. Mr. Speaker, I am so pleased my first occasion speaking as the ranking Democrat is on behalf of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act, because I cannot think of any issue that is more important to our committee and to the House, and I cannot think of any bill that I am more supportive of.

Taking on the housing problems of the homeless can often be a thankless task. That is why I would like to start by giving special recognition to the efforts of the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY), the chairman and ranking member of the Subcommittee on Housing and Community Opportunity. Both of the gentlemen have a shared commitment to improving the housing condition of all Americans, and the two have crafted a bipartisan bill to address an issue that could have been polarized, could have been politicized. It gives me hope that we might move other essential housing

reform bills ready for conference in an equally collegial fashion.

The bill before us, however, is not only the product of compromise across the aisle. Advocates for homeless providers, homeless persons and State and local governments have also compromised in an effort to move this bill. It is a good compromise, one that includes a number of long-needed reforms.

For one, the bill redirects a recent trend away from developing permanent housing to funding supportive service programs. Certainly we recognize that the service needs of formerly homeless persons and families run deep. But if permanent affordable housing is unavailable, providing services is meaningless. H.R. 217 addresses this problem by preserving 30 percent of the annual appropriation for permanent housing development, and discourages States and localities from using more than 35 percent of their grant for services.

Equally important is the bill's authorization level of \$1 billion, \$177 million more than the current appropriation of \$823 million. I am hopeful this level will send a strong message to the appropriators that the homeless funding level of the last 4 years has been and is insufficient.

Reductions in SSI and food stamps have already put an additional strain on our already overburdened emergency shelters. With time limits on welfare assistance looming before us, there is increased pressure to invest in homeless prevention and emergency housing programs as well as affordable housing development. Despite the fact that our housing delivery system is becoming increasingly more efficient and effective, it cannot sustain all these new and looming pressures without additional resources. So I appeal to the appropriators to recognize the increased needs in our communities, as the authorizing committee has done, and give some relief to an already overburdened system.

Again, I urge all Members to support the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) in supporting H.R. 217.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding. On behalf of the majority, I would like to speak out of order for a few seconds simply to congratulate the minority in their thoughtfulness in designating the gentleman from New York (Mr. LAFALCE) as the new ranking member. Speaking personally, he is not only a wonderful friend but his background in all the issues before the Committee on Banking and Financial Services is unparalleled and unmatched. We are very honored to work with him and we look forward to that prospect.

Mr. LAZIO of New York. Mr. Speaker, I want to once again thank the gentleman from Iowa (Mr. LEACH), the chairman of the committee, for his leadership and his commitment to the needs of low-income families and individuals. Without his help, this bill would not be before us today.

Mr. Speaker, today we embark upon a journey with a worthy destination, an America where no one has to live or die on the streets. Tragically, walking through the streets of many of our cities today, one would see a much different picture than our ideal portrait of an American community. On any one evening in America, say last night, for example, over a half million people, real people with real lives, are homeless. Why? The frustration is that we know what works. We have seen it. It is being done.

Take Julius, for example, who lives at Jeremiah House, a successful housing facility for homeless adults in the shadow of this Capitol. Earlier today the gentleman from Texas (Mr. SESSIONS) and I visited Jeremiah House and spoke to Julius. Julius lived on the streets and in abandoned cars for more than 10 years as a result of drug and alcohol addiction. Today Julius lives at the Jeremiah House, and with the help of his family, he is involved in a substance abuse program, regularly attends church, is enrolled in engineering courses at the University of the District of Columbia, and hopes to receive his Bachelor's degree next year. This, Mr. Speaker, is success.

Although the Federal Government has more than doubled spending on programs designed to address homelessness in the 1990s, hunger and homelessness continue to increase. Families with children comprise more than one-third of today's homeless population. More than 75 percent of homeless adults struggle with mental illness, substance abuse or chronic illness. And at least 25 percent of homeless men are veterans of our armed forces. How can we tolerate their plight? What can be more heart-wrenching than stories of those who fought for our freedom only to find themselves faced with living on the streets when they get back home?

Mr. Speaker, we must ask ourselves one simple question: Do we accept the status quo as inevitable, or must we work harder to find better ways to get better results? Unless we are willing to follow the lead of too many Third World countries where the homeless die alone on streets every day, clearly we must do a better job.

Today we begin to move away from the temporary Band-Aid type solutions of the past. Today we refocus our efforts on preventative strategies and permanent solutions to homelessness. Today we recognize the successes of neighborhood partnerships that link permanent shelter with a strategy of continuing services designed to give the homeless the best chance at self-sufficiency.

This bill, H.R. 217, the Homeless Housing Programs Consolidation and

Flexibility Act, will provide the 21st century framework to restore hope to hundreds of thousands of unsheltered Americans. It will give those on the streets a real chance at reconnecting with society, their friends and their family.

Our legislation consolidates the 7 existing homeless housing programs under HUD into a single, flexible funding stream for States and communities. Decision-making is given to communities and States, and moves away from centralized planning and the Washington-knows-best mentality.

Homelessness, Mr. Speaker, should not be hopelessness. In our bill, some funding is reserved for a permanent housing competitive grant process to transition toward long-term solutions to homelessness. Last year HUD spent only 10 percent of homeless assistance funds to build permanent housing. Let me be clear: Only 10 percent of Federal homeless assistance last year was spent for exactly what the homeless desperately need, homes.

We cannot afford to let bureaucratic barriers stand in the way of proven solutions and the hope that they bring. Our bill requires all Federal departments and agencies to coordinate homeless assistance. In this way, we eliminate the wasteful duplication of resources, close the gap in services and confront homeless issues holistically.

Finally, our legislation encourages partnerships among nonprofit developers, faith-based groups and service agencies to link permanent housing with a continuum of services. By addressing the core issues of homelessness through a concerted community effort, we give the homeless a real chance to reclaim their stake in society and improve their quality of life.

Mr. Speaker, today this House has the unique opportunity to advance not only common-sense public policy, but also policy with compassion for those without the most basic of human necessities, adequate shelter. Government should be about funding programs that work, that are locally controlled, and that empower our most vulnerable citizens. Too often the homeless are trapped in a revolving door from shelters, to the streets, emergency rooms, treatment centers and back again. Our work here today will help break that cycle and begin the process of ending homelessness in America.

Mr. Speaker, I would also mention the committee's efforts to consolidate the homeless assistance programs are strongly supported by a variety of organizations, including the Vietnam Veterans of America; the U.S. Conference of Mayors; the Association of Local Housing Finance Agencies; the National Association of Counties; the National Community Development Association; LISC, the Local Initiatives Support Corporation; the National Alliance to End Homelessness; the National Law Center on Homelessness and Poverty; and many, many others. Mr.

Speaker, I include for the RECORD letters of support from these organizations, as follows:

SUPPORTERS OF H.R. 217

Vietnam Veterans of America, Inc.
U.S. Conference of Mayors
The National Alliance to End Homelessness, Inc.
National Association of Counties
National Community Development Association
Association of Local Housing Finance Agencies
Local Initiatives Support Corporation (LISC)
Corporation for Supportive Housing
National Law Center on Homelessness and Poverty

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, February 23, 1998.

Hon. RICK LAZIO,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN LAZIO: On behalf of the membership of Vietnam Veterans of America (VVA), I write to strongly support passage of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act. We feel that the veterans provisions within this bill will greatly assist veterans who are homeless. By increasing access of veterans community-based homeless assistance providers to the HUD homeless funding process, this legislation can facilitate an effective federal response to the national tragedy of disproportionate numbers of veterans among the homeless population.

Homelessness in America is a terrible tragedy. The prevalence of veterans among the homeless population is an even more poignant statement about this tremendous loss of human potential and productivity. As we have discussed with you and your staff, even though widely accepted statistics and analysis show that some 30 percent of the homeless population are veterans, HUD has not been successful in ensuring that it's nearly \$1 billion in annual homeless assistance spending appropriately targets these unique needs.

In prior administration's and occasionally even among the current cadre of federal officials, HUD has pointed the finger at VA, essentially saying, "Veterans are their responsibility." But such a policy perspective fails to realize that VA—as a hospital and benefits system—was never designed to treat the complexities of homelessness. While the VA, in recent years, has made tremendous efforts to help veterans who are homeless, the fact remains that VA is not in the housing business. HUD is the federal agency that deals with homeless assistance and housing programs.

VVA has worked on the homeless veterans issue for many years. And while we are heartened to see more attention devoted to the issue, it is disconcerting that current efforts to address homelessness do not met the specific needs of veterans. The plight of homeless veterans is often misunderstood and overlooked. If general homeless assistance programs—which HUD supports—were effectively rehabilitating veterans, we would not expect to see the disproportionate numbers of veterans within the homeless population. This is why it is so critical that programs which target these veterans' unique needs and maximize their rehabilitation potential are nurtured and supported with federal funding. Veterans are a "federal" responsibility—and not just a VA responsibility.

VVA feels very strongly that the veterans provisions of H.R. 217 will help to combat the specific and unique causes of homelessness among veterans. We strongly urge the House

of Representatives to pass this bill, and we further urge the Senate to enact H.R. 217. Thank you for your and the subcommittee's work on behalf of homeless veterans.

Sincerely,

GEORGE C. DUGGINS,
National President.

MARCH 2, 1998.

Hon. RICK LAZIO,
Chairman, House Subcommittee on Housing and Community Renewal, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We write to endorse your efforts to move H.R. 217, the "Homeless Housing Programs Consolidation and Flexibility Act" through the House of Representatives. Consolidation of the McKinney Act's homeless housing programs is an idea whose time has come. In a time when the Department of Housing and Urban Development is undergoing a drastic downsizing the last thing it needs is to run a series of competitions for homeless housing funds. Instead, communities should receive homeless housing funds via a block grant, as generally H.R. 217 would do, so that they can use the funds to meet locally identified homeless housing and service needs. A number of members have advised us that the current competitive method of awarding McKinney Act funds often has the effect of denying funding to their top priority projects.

Creation of a homeless housing block grant and its continuum of care will give communities the certainty of funding they need to undertake comprehensive, long-term strategies to address homelessness.

Although we don't support all of the provisions in H.R. 217, we believe it essential that the legislative process move forward. Passage of this bill will provide the momentum to encourage the Senate to act on a homeless block grant. Once the legislation moves to a House-Senate Conference Committee we will seek modification to several of the provisions in H.R. 217.

Mr. Chairman, we applaud your leadership on this important issue.

Sincerely,

ASSOCIATION OF LOCAL
HOUSING FINANCE
AGENCIES.
NATIONAL ASSOCIATION OF
COUNTIES.
NATIONAL COMMUNITY
DEVELOPMENT
ASSOCIATION.
U.S. CONFERENCE OF
MAYORS.

THE NATIONAL ALLIANCE
TO END HOMELESSNESS, INC.,
Washington, DC, February 23, 1998.

Hon. RICK A. LAZIO,
Chairman, Subcommittee on Housing and Community Opportunity, House of Representatives; Washington, DC.

DEAR MR. CHAIRMAN: Over the past several years, we at the Alliance have deeply appreciated your commitment to improving the way in which federal homeless assistance is delivered through the HUD Homeless Assistance Grants. This critical HUD program must address the complex set of challenges that face an extremely diverse homeless population, and it must also respond to the equally complex set of needs of a diverse delivery mechanism. H.R. 217 addresses both sets of needs and challenges and provides a valuable blueprint for re-tolling homeless assistance to achieve the maximum benefit for homeless people.

The National Alliance to end Homelessness believes that any federal homeless assistance program should adhere to the following principles:

End homelessness for as many people as possible through the provision of permanent housing;

Ensure decent "shelter" for those experiencing emergencies and for whom permanent housing is not provided;

Provide flexible funding so that local issues can be addressed, but ensure nonprofit involvement and provide rigorous federal monitoring and oversight to overcome the problems that arise from politicization at the local level;

Increase the motivation and capacity to deal with the problem at the state and local levels;

Ensure that any assistance delivered has a direct and measurable benefit to homeless people, and that the primary thrust of this benefit is their achievement of stability in permanent housing.

H.R. 217 specifically addresses these principles. It reverses the recent trend toward more funding of services and temporary solutions by setting aside funding for permanent housing. It establishes a critical priority for housing for people with chronic disabilities. It targets more resources to the problem by including an authorization level of one billion dollars. It includes local boards to determine how funds will be spent and to monitor their effectiveness. It targets assistance to nonprofit organizations. It addresses the difficult problems of funding services and providing a predictable source of funding to local areas for emergency and transitional assistance. In short, H.R. 217 moves us closer to a system that addresses the primary goal of ending homelessness both for individual homeless people and families, and for the nation.

We at the Alliance have deeply appreciated your willingness to work with us, and to listen to our concerns and those of our members, as you have developed the concepts contained in H.R. 217. We know personally of your commitment to provide real assistance to homeless people. We look forward to continuing to work with you as we collectively improve the homeless assistance system.

Sincerely,

NAN ROMAN.

LOCAL INITIATIVES SUPPORT CORP.,

New York, NY, February 23, 1998.

Hon. RICK LAZIO,

Chairman, Subcommittee on Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR MR. LAZIO: I am writing on behalf of the Local Initiatives Support Corporation (LISC) to applaud your recognition within H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act, of the importance of permanent housing to end homelessness by giving our communities' most frail citizens the foundation they need to live healthy, productive lives. As you know, LISC has been working with community development corporations (CDCs) since 1979 providing the necessary tools for them to develop affordable housing and offer the range of social services that revitalizes and reinvigorates communities.

Among a range of activities, LISC provides financing and technical assistance for the development of affordable housing for homeless and disabled persons requiring supportive services. Through the syndication of Low Income Housing Tax Credits in partnership with the National Equity Fund (NEF), we are able to leverage substantial private sector investments for these projects. But this private investment is possible only if long term project subsidies are available to fill the gap between the operating costs and what homeless people can afford to pay in rent. H.R. 217's dedication of national resources for the development of permanent

housing will ensure that CDCs can continue to be part of the solution of homelessness in their communities.

LISC also commends the increased \$1 billion authorization level of H.R. 217 which acknowledges the need for additional resources to combat homelessness. Federal homeless funds shaped by a vision of creating permanent housing solutions are a significant step towards helping our homeless neighbors reclaim a stake in community life.

Sincerely,

PAUL S. GROGAN,
President.

CORPORATION FOR
SUPPORTIVE HOUSING,
New York, NY, February 28, 1998.

Representative RICK LAZIO,

Chairman, Subcommittee on Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN LAZIO: I write on behalf of the Corporation for Supportive Housing (CSH) to support H.R. 217, The Homeless Housing Programs Consolidation and Flexibility Act of 1997. While CSH has objections to certain provisions of the bill, which I have articulated to you and repeat below, it remains clear that H.R. 217 would both assure expansion of permanent solutions to homelessness, and enlist state and local governments as real partners of the federal government in the battle to end homelessness nationwide.

CSH is a national nonprofit intermediary dedicated to expanding the quantity and quality of supportive housing available to people who are homeless or at risk of becoming so. The supportive housing model combines permanent, low income housing with on-site mental health, substance abuse, employment and other support services which help the most vulnerable homeless individuals to regain control of their own lives and a stake in the life of their communities. Over the past decade, community based nonprofits have demonstrated that supportive housing is an effective and cost-efficient solution to homelessness. It both provides residential stability for even the most disabled homeless individuals (federal and state government commissioned studies have confirmed tenant retention rates exceeding 75%) and enables those individuals to reduce the frequency and magnitude of their encounters with such costly, emergency driven public systems as psychiatric hospitals, emergency rooms, detox facilities, and jails. Indeed, for the most vulnerable of homeless individuals with special needs such as mental illness, chronic health conditions, or other disabilities, supportive housing is the only demonstrated permanent solution to chronic homelessness.

Several aspects of H.R. 217 merit special mention. First, H.R. 217 recognizes permanent supportive housing as an effective, sustaining and cost-efficient solution to homelessness by proposing to target a percentage of authorized funding (25% growing to 30%) for development of permanent housing. This permanent housing set aside ensures both that sufficient funds can be concentrated at the local level to develop new permanent housing, and that a steady stream of federal funds will remain available for supportive housing providers. Critically, by specifically including long-term rental assistance among the eligible activities for permanent housing funds, H.R. 217 guarantees maximal leveraging of federal homeless assistance funds by state and local governments, philanthropy, and private investors. (For example, private investors in the Low Income Housing Tax Credit can typically provide about one-half of the amount needed for development where long term federal subsidies are in place. HUD research confirms the

broader phenomenon. For example, HUD's 1994 report to Congress stated that every McKinney Shelter Plus Care dollar leveraged \$2 in local and/or private services funding and every McKinney Section 8 Mod/Rehab dollar leveraged \$1.50 in non-federal development dollars.) H.R. 217 also provides for a range of long term rental assistance options, thereby supplying the critical linchpin for creating permanent and sustaining solutions to homelessness. Such targeting of limited federal funds to an identified need, where the federal investment truly partners with that of other public and private entities, embodies the best in federal policymaking.

Second, I strongly endorse your call in H.R. 217 for authorization of federal homeless programs at \$1 billion. This authorization level recognizes that homeless care providers, including those who operate permanent supportive housing, require sufficient resources to address the needs of the homeless if this nation is to end homelessness, which began over a decade ago as a "crisis" but sadly remains an enormous and costly problem.

Third, I must reiterate CSH's primary objection to H.R. 217, namely, the block granting of 70% of funds under the consolidated McKinney programs. We believe that: (1) block granting will spread funds too thinly among grantees; and (2) with the addition of a permanent housing set aside and better local match requirements, HUD's current Continuum of Care selection process would satisfactorily distribute homeless assistance funds and do so in the locally-driven fashion that block granting strives to achieve. Despite this reservation, CSH recognizes that H.R. 217 constitutes a major step forward in supporting innovative, cost-efficient strategies to end homelessness through federal homeless assistance programs. Accordingly, we support its enactment into law.

Thank you for your consideration of this letter.

Sincerely,

JULIE SANDORF,
President.

NATIONAL LAW CENTER
ON HOMELESSNESS & POVERTY,
Washington, DC, February 27, 1998.

Hon. RICK LAZIO,

Chairman, Housing Subcommittee, House Committee on Banking and Financial Services, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I write to thank you for your efforts to reauthorize the Stewart B. McKinney Homeless Assistance Act programs that are administered by the U.S. Department of Housing and Urban Development. These programs have provided vitally needed assistance, including emergency shelter and transitional housing, to thousands of homeless Americans.

We appreciate your effort to authorize a level of funding for the program above the level of last year's appropriation. While \$1 billion unfortunately is still not adequate to meet the need, it would certainly be a step forward.

It is critically important that the McKinney programs be reauthorized. Thank you again for your efforts and commitment.

Sincerely,

MARIA FOSCARINIS,
Executive Director.

Mr. LAZIO of New York. Mr. Speaker, before I reserve the balance of my time, I would like to express once again my appreciation to the subcommittee's ranking member, the gentleman from Massachusetts (Mr. KENNEDY), for his help in moving this legislation forward. My good friend and colleague has spent much of his public and

private life helping the less fortunate, particularly the homeless, realize a better way of life.

I should also recognize the efforts of the gentleman from Washington (Mr. METCALF) on behalf of homeless veterans, and extend my gratitude to the gentleman from Minnesota (Mr. VENTO) for his unwavering support for reform throughout this process and for his work for many years on this important issue.

Mr. Speaker, I reserve the balance of my time.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself 5 minutes and 40 seconds.

First and foremost, let me just say very briefly how much I appreciate the kind words that the chairman of the Subcommittee on Housing and Community Opportunity, the gentleman from New York (Mr. LAZIO), has expressed.

I think that he, in fact, does deserve a great deal of credit for bringing a bill that had overwhelming support. I think it passed our committee by a vote of 35 to 5. It is a very rare occurrence in the subcommittee or the full Committee on Banking and Financial Services.

I think it is largely due to the sensitivity he showed and the leadership he showed in making compromises on this legislation and making certain that all parts of the country are treated equitably, and with the recognition of the fact that while we want to get government bureaucracy out of the way, we also want to preserve and make certain that programs that do effectively move people out of homelessness and into permanent housing and permanent jobs in fact get the attention and the credit that they deserve.

So I want to just say how much this demonstrates that when we choose to work together, I think a lot can be accomplished by this Congress.

I also want to just express my appreciation as well to the gentleman from Minnesota (Mr. VENTO), who spent years in the Congress leading this fight. When I first got to the House of Representatives, going on almost 12 years ago, the gentleman from Minnesota (Mr. VENTO) was a leader on the homelessness bill at the time.

We were passing, at that time, the McKinney Act, which was an appropriate piece of legislation for a problem that needed to be addressed as a result of the efforts of Mitch Snyder and a number of other people.

The fact is that this bill I think shows a new kind of recognition of some of the programs that work and some of the needless bureaucracy that has evolved around the original McKinney Act. And I think the gentleman from Minnesota (Mr. VENTO) should get enormous credit.

It is not just about credit. And I know the gentleman from New York (Mr. LAZIO) would be the first to admit that this is an issue of how we got to a point where we are appropriating hundreds of millions, if not a billion dol-

lars for fighting homelessness in this country, is really, in my opinion, a tragedy. It is a tragedy that has largely come about as a result of government policies.

There was a time when we did not find a lot of homeless Americans. You could travel the streets of every major city in America and not see thousands and thousands and thousands of homeless people.

The way we got to so many homeless people in America is two ways. First and foremost, we, as a policy, decided that we did not want to house our mentally ill in these concentrated facilities where so many horrific things were being done to them. So we said we were going to close down those facilities.

Then we were going to build housing in neighborhoods to house the mentally ill, the mentally disturbed, those with drug and alcohol abuse. The fact is, what we did as a Nation is, we closed down the facilities but we never built the housing in the neighborhoods.

The second piece of this was that we built in 1980 over 300,000 units for the poor, as a Federal Government, 300,000 housing units. We spent over \$30 billion on the housing budget in 1980 dollars. Today we have dramatically cut the amount of money that we are spending on affordable housing.

I want to appreciate the fact that in this particular legislation the gentleman from New York (Mr. LAZIO) and the gentleman from Iowa (Mr. LEACH) have brought up our funding in this bill from \$803 million to over a billion dollars. That is a step in the right direction.

But I would point out that the truth of the matter is that the first thing that happened 4 years ago when the Republicans took over the House of Representatives is that we saw the homeless budgets in this country cut by 25 percent. We saw the overall housing budgets in America cut by 25 percent. That was only after the compromises had been reached.

If we do not build housing for the poor, and the country has more and more people, the value of the existing housing rises, the poor do not get any richer, so they cannot afford it. What happens is we end up dumping people out on our streets.

This is an important piece of legislation. I do very much commend the gentleman from New York (Mr. LAZIO) for his work on trying to get this legislation passed and write it in such a fashion that he has gotten such broad support for it. We do appreciate the gentleman's leadership on this.

But we need to work together to make sure that this country recognizes that if we are going to provide billions of dollars to the Pentagon, if we are going to provide billions of dollars in terms of the aid programs that we are currently involved with, that there is a Third World right here in America that also needs to be provided with the necessary resources in order to provide them with basic and affordable housing and health care and education.

□ 1445

If we want to get these folks that need homeless funding out of homelessness, we have to provide them with housing and jobs.

I would just say that in terms of this particular legislation, I do want to recognize that while the funding has increased, and I know the gentleman from Iowa (Mr. LEACH) has agreed to sign a letter to the Committee on Appropriations asking for the full \$1 billion worth of funding, that we have set aside 30 percent of the funding for permanent housing, that we have instituted much greater local control and local flexibility as a result of the chairman's intent, and we have also provided some needed veterans' provisions in this legislation.

Mr. Speaker, I would, in closing, again like to just say that we need to continue to provide additional funding for the homeless. We can provide all the programs, but if we do not get the money out to the people that need it, it will all be a lot of words and no housing.

Mr. Speaker, I want to thank the chairman of the housing committee, the gentleman from New York (Mr. LAZIO), for his leadership, and look forward to working with him as the legislation moves through the process.

Mr. Speaker, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. METCALF.)

Mr. METCALF. Mr. Speaker, I rise in support of H.R. 217 and its goal of giving local communities greater flexibility in reducing homelessness. I was concerned about homeless veterans before I arrived in Congress. I am pleased now to be able to do something for them.

Over the past 3 years, I have introduced legislation to help veteran advocacy groups compete for Stewart McKinney funds. In 1996, HUD funded 1,100 projects for a total of \$713 million. Of the projects funded, only 48 projects equaling \$25 million were designed primarily for homeless veterans. That is only \$25 million for homeless veterans out of \$713 million. Yet the number of homeless veterans is estimated to be 20 to 30 percent of the homeless population.

We need more help for homeless veterans. H.R. 217 includes an amendment that I offered with the gentleman from Massachusetts (Mr. KENNEDY) to give veteran advocacy groups an opportunity to participate in local advisory boards. These boards will create and coordinate the community's housing plan. In addition, homeless veterans will be considered a special needs population, which makes them one of the targeted populations for services in housing. Lastly, this amendment requires better reporting from HUD and its grantees concerning veterans.

I want to thank the gentleman from Massachusetts (Mr. KENNEDY) and the subcommittee chairman, the gentleman from New York (Mr. LAZIO), as

well as the gentleman from Iowa (Chairman LEACH) for their willingness to work with me to include veterans' provisions in this bill, provisions that will help get homeless veterans off the street. These are not just empty promises, but meaningful changes in helping local communities serve their homeless veterans.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. VENTO.)

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to commend the ranking member, the gentleman from Massachusetts (Mr. KENNEDY), and the subcommittee chairman, the gentleman from New York (Mr. LAZIO), for their support of this and their leadership in bringing us together to support H.R. 217, which is a very good bill, which obviously authorizes more dollars, changes some of the policies and redirects and streamlines the law to meet the needs of the homeless across this Nation.

Who are the homeless? The homeless are a group of individuals today that 20 years ago, when we look back into our communities and byways and rural areas, urban, were not the same population. We always have had, sadly, I think some that are chemically addicted homeless, and that is a problem a smaller number of the homeless. But today we have, as my subcommittee chairman has mentioned, the gentleman from New York (Mr. LAZIO), we have nearly half a million people that are homeless.

The roots the source of such homelessness has many sources. In fact, the homeless are very often people that have jobs. They very often are women. Very often they are children that are homeless today.

So it recognizes, sadly, that in 1998, with the highest home ownership in history of our Nation, nearly 66 percent of the people own their own homes, but no one of us live on the average; that today in our society there is a great vulnerability in terms of our being able to fall down and lose out in terms of becoming an economic or social casualty; that today in our society we are very isolated, and the network of support in terms of family and friends and others that historically had been such a great source of help to many that would fail is most often not present, too many Americans today are vulnerable.

So we come back with these fed. homeless programs, and the nature of this, McKinney program, which I have worked so hard on with many of my colleagues over these years, is one in which we are trying to build on the local governments and the nonprofits and private sector effort, to establish and maintain a partnership.

This is not a 100 percent funding from Washington. In fact, it is very little funding from Washington to deal with this problem compared to other efforts. We are proposing, and I hope we do

spend, the \$1 billion that is authorized in this measure. Local governments, nonprofits, the people we represent, the volunteer groups, are spending tens of billions of dollars to meet this housing problem each year across this nation.

The homeless, as I said, they are working, and they are entitled to a lot of the benefits. But, unfortunately, many benefits are attached to shelter to an address. If a child is homeless, they deserve an education, they deserve the funding from the city and State. If they have a health problem, they deserve the benefits that are associated with Medicare if they are eligible or Medicaid if they are eligible. They deserve the opportunity for job training and other programs.

We are trying to provide such programs and must this together with this McKinney Act, which, incidentally, has always been a bipartisan effort. Myself and Chalmers Wylie from Ohio initiated this bill in small way representative; Ed Boland, had a different piece in the appropriation process, the FEMA dollars that are in here represent his initial efforts, and that is reauthorized in this bill and that is a great program.

The fact is that, of course, we named it when we brought it altogether under one umbrella after our dear colleague, our deceased colleague, Stewart McKinney from Connecticut, a good Republican and a good friend and a good advocate for people that have problems and need housing in this Nation.

I hope that with this bill, we can reignite some of that spirit of working together in terms of housing that has alluded us, because we have serious housing problems in this nation. As has been indicated, part of this is because we have not followed through when we deinstitutionalized, a good thing to do, to take apart those institutions.

My State of Minnesota especially has had problems because we were the first in the Nation to institutionalize and deal with many of the problems, but we did not follow through with the community resources that are necessary to meet the needs of people being mainstreamed back into our communities; neither housing nor the social services.

So we have a great opportunity here with this McKinney program to build a new framework, to draw on the others that have responsibilities, not just in terms of the housing programs that emanate in Washington or locally, but to draw on the social service, health nutrition education and jobs programs that are supposed to be there to support the homeless.

There are some good changes in this bill. Frankly, the type of categorical programs which provided many of the ideas, we wanted to see whether these programs worked and many of them did work. Now we will have a homeless plan prepared by the communities that will give us some direction, broad input and a good policy path with flexibility.

Frankly, I think we need the permanent housing in this measure. We need

to push the other social service agencies and others that have resources to channel their dollars into the needs of the homeless, because we cannot do it alone, HUD and these McKinney program are just not sufficient in funding or capacity.

The local governments and the nonprofits, are working on overload, they are working on overload, they have too much being placed on them these days, and need the type of support we have proposed here. But we have to do it in a partnership, which we are trying to do in this bill, and which I know can and does work. The Interagency Council on Homelessness is reestablished in this bill, trying to get our Federal agencies to work collaboratively and cooperatively together.

Mr. Speaker, it should be clearly understood that this program the McKinney funding has helped and transitioned many literally 100,000 of homeless back into the mainstream of our society, the problem is that those falling between the cracks of our social nets and onto the streets continues and the McKinney law and act is more needed today than ever.

This is a good bill. I hope my colleagues all vote for it and it passes this House with a resounding yes vote.

Mr. Speaker, as I rise today in support of the Homeless Housing Programs Consolidation and Flexibility Act, I want to recognize the Democratic and Republican staffs for their work in building a compromise bill for us that has been helpful and permits us to be here today that will authorize a billion dollars annually for HUD homeless assistance through FY2002. I testified in front of the Subcommittee on Housing last June in favor of some changes to the Chairman's bill, H.R. 217—changes that would incorporate some of the policies embodied in my McKinney reauthorization legislation, H.R. 1144. I am pleased to note for the Members here this afternoon that many modifications and improvements have been made to address my concerns, the concerns of Mr. KENNEDY, HUD and others.

Members may be aware that as an original author of the McKinney Act in 1987 and sponsor of the legislation to assist the homeless since 1982, I have an intense interest in how we restructure the HUD McKinney programs. I look forward to continuing to work with the Chairman to move this legislation forward and would point out that this measure has always been a bipartisan effort: First, Congressman Chalmers Wylie of Ohio and myself in 1981; second, honoring Congressman Stewart McKinney in 1987; and third, restructuring the programs in 1994 with Congresswoman RUKEMA. Today, we continue in that vein with this bill, H.R. 217, which authorizes a significant increase over this year's budget—an increase in outlays of \$121 million in FY1999, \$195 million in FY2000, \$364 million in FY2001, \$667 million in FY2002, and \$784 million in FY2003. Hopefully, we will follow through with the appropriations that would provide these specific increases that will total a billion dollars a year to assist people who are homeless.

For the record, let me briefly recite some of the history behind the consolidation of McKinney programs. Almost since their inception, there were calls for simplification of the HUD

McKinney programs and for a change from the competitive nature of the programs to a formula allocation block grant. Attempts to alter the nature of the funding allocation, however, were not successful in Congress until 1994, in part, because of the opposition of many Members, including myself, on the Banking Committee who felt strongly that block granting would spread the limited McKinney dollars a mile wide and an inch deep and the fact that the programs and innovative ideas ought to have an opportunity to demonstrate their effectiveness. Moving to a block grant earlier essentially would have defunded these programs.

In 1994, however, we began to work on a bipartisan basis with the special efforts of the Administration to restructure the HUD McKinney programs into a block grant with some important features. We were successful in passing that rewrite in the omnibus housing bill that was approved by the House, but never finalized into law. Key among those were two features: One a trigger point for reverting to competition so that if appropriations were to be too low, the funds would not be piece-mealed beyond the point of usefulness to entitlement communities. Two, the legislation maintained permanent housing through the Section 8 SRO program as a separate and distinct program. Such a separate permanent housing component creating SRO or other housing, is necessary for production that is less likely to take place in a formula allocation because of the higher capital needs and recurring costs on an annual basis.

In this measure before us, H.R. 217, a couple of important compromises and changes were made through the legislative process from my standpoint. First, H.R. 217 maintains a national competition for the permanent housing activities which include activities to construct, rehabilitate, or acquire permanent housing structures. These activities can also include the capitalization of a dedicated project account from which long-term assistance payments, such as operating costs or rental assistance, can be made in order to facilitate permanent housing for the homeless. In addition, the Committee agreed to allow up to 35% of the funds available for the competition to be used as if under section 441 of the McKinney Act as in effect on October 31, 1997. That is, Section 8 Moderate Rehabilitation for SRO housing can still be produced under the national competition for the McKinney permanent housing program with a cap of no more than 35% of the funds. This was included through a successful amendment that I offered in the Committee and I am appreciative of the support of the Chairman for such amendment. Every study and statistic I've seen on the topic of homelessness is related to the lack of affordable housing and the need to establish permanent housing for homeless people.

As before, the Committee specifically chose not to consolidate permanent housing activities into the flexible block grant. First and foremost, in providing a separate competitive funding mechanism for these programmatic activities, the Committee is assured that housing dollars are producing housing. Secondly, the ebb and flow of funding needs for permanent housing development is such that communities may need large funding amounts in one year and little or nothing in other years. Conversely, if funds were to be allocated for permanent housing under a block grant, many

entitlement jurisdictions would never receive sufficient funding to engage in permanent housing projects with or without supportive services because the intense up-front funding needs for permanent housing would completely deplete the formula allocation of a jurisdiction in one funding year. A national competition that still assures projects are tied to local needs and plans will facilitate a more effective allocation of housing resources.

Second, the bill envisions that to meet the matching requirements for the federal funds that a community can choose between a 1:1 match that allows volunteer services to be counted, or a 1:2 match that does not permit volunteer services. Thus this measure incorporates a 1:1 match that I strongly support. It will continue to allow non-profits to use important volunteer services as match. We should, in my judgement, encourage volunteer participation and recognize its value.

Thirdly, the bill includes a reauthorization of the FEMA Emergency Food and Shelter program that is authorized in Title III of the McKinney Act. This is a proven and popular program in the Banking Committee's jurisdiction that needs to be reauthorized, but doesn't require programmatic changes. This is a tremendous program that continues to provide great help nationwide for shelter and emergency meals. I would hope we could in the future work together to increase the level of funding for this key program that works so well with the national and local charities.

Fourth, the bill re-empowers the Interagency Council on the Homeless, the chief inter-agency body for federal assistance for persons who are homeless. It calls for rotating chairs of the Council and sets aside money from the overall McKinney Title IV appropriation in order to fund the Council. This is imperative in order to facilitate deliberations, coordination and needed improvements to our homeless assistance programs.

Mr. Speaker, we began to work on a bipartisan basis with the special efforts of the Clinton Administration to restructure the HUD McKinney programs into a block grant in 1994. Today we pick up on that effort and will hopefully move the idea forward toward the objective. H.R. 217 consolidates most of the programs, affords citizen and community involvement in the planning process, and maintains a competition for the permanent housing component.

I recognize the new concerns of the Department of Housing and Urban Development, and hope that the discussions around our policy differences will continue to strengthen the programs as we work toward enactment of a McKinney reauthorization. I want to comment the Secretary and his staff for their vision and hard work toward improving the administration of the McKinney programs as they exist today so that communities and persons who are homeless are better served. These McKinney programs work by being pro-active. Unfortunately, the number of homeless persons: men, women and children, continues to mount. Hopefully the root causes of homelessness, both economic and social, will be addressed to correct this crisis. But until that occurs to a greater extent, we must assist and reinforce the local governments and non-profit sector that attempts to cope and meet the needs of people who are homeless in our nation. This reauthorization of the McKinney Act will do that.

I again commend the Chairman for working with us on this bill. While the bill may not be the bill I would construct if left to my druthers, overall it is more than acceptable to me and I encourage Members to support H.R. 217 on passage.

Mr. LAZIO of New York. Mr. Speaker, I yield 3¼ minutes to my friend, the gentleman from Delaware (Mr. CASTLE), the distinguished former Governor of the State of Delaware and a member of the Committee on Banking and Financial Services.

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I very much appreciate the opportunity of speaking to this. I think what the gentleman from New York (Chairman LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) have done on this, as well as the gentleman from Massachusetts (Mr. KENNEDY) and the gentleman from New York (Mr. LAFALCE), I think the work on this has been tremendous. It is strong leadership indeed for a compassionate, imaginative and common sense style reform legislation.

Under the current system, about three-quarters of Federal homeless funds are spent on emergency homeless shelters in supportive services. The bill in front of us, H.R. 217, encourages communities to focus HUD homeless funds on affordable housing, which will give homeless persons a chance to become productive members of our society.

To a homeless person, permanent housing means safety and security that cannot be found in homeless shelters. Safety and security are important foundations on which a homeless person can rebuild his or her life.

For too long, HUD has been the 911 all-purpose agency for homeless issues. In the course of trying to provide services HUD should not be providing, HUD has overcommitted its McKinney Act homeless funds. This unbalanced distribution of funds has left longstanding successful homeless programs without the funds to operate. It has happened in every State to one degree or another, but let me share with Members Delaware's experience.

Under the current system, the McKinney homeless funds are distributed through a national competition. As was the case for Delaware in fiscal year 1998, if an applicant fails to meet the cutoff point, the State and all its homeless programs must scrape to find funds to operate that year.

The Ministry of Caring is a Delaware nonprofit homeless provider that raises half of its support from private sources and relies on State and Federal funds to provide the remainder. In Delaware the name "Ministry of Caring" is synonymous with quality, compassionate housing and services for the homeless.

The Mary Mother of Hope House and Samaritan Outreach Program are two homeless programs the Ministry of Caring may have to close this year, because its application fell two points

shy of HUD's cutoff in last year's grant competition due to a drafting error over which the Ministry of Caring had no control.

While some may think a national competition for grant money distributes homeless funds to the most deserving programs, the fact is that it produces tremendous inefficiencies. Each year, a homeless program faces the dilemma of whether it will receive a lot of Federal funds or none at all. This prevents these programs from engaging in efficient, long-term planning, and encourages them to overstate their need.

Furthermore, as was the case with the Ministry of Caring, if HUD spent funds in the past to help build houses for the homeless, its investment and your tax dollars go to waste when there are no funds to operate the program. With H.R. 217, each State is assured a minimal level of funding each year the programs can take into account when planning for the long run. At the same time, H.R. 217 reserves 25 percent of the McKinney funds for a national competition, so those programs which are most deserving can still compete for additional funds.

This is just another example of how the Homeless Housing Programs Consolidation and Flexibility Act takes the best features from existing programs, and eliminates wasteful incentives and duplicity in the current system. I encourage my colleagues to support this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, I support the bill and I agree there are working poor, women and many people who are now homeless. I want to remind the Congress of the United States that there are veterans who are homeless as well.

I passed an amendment to H.R. 2 that requires that a housing counseling 45 day notice be given by the banks when a delinquency rate is met, and I wanted to have that put in this bill. But I have the assurances of the chairman that H.R. 2 and my language that would require that VA loans and veterans would also get that 45 day notice, be kept in that bill.

Mr. Speaker, I want to remind Members that money itself will not solve the homeless problem. We must leverage private sector money and we must move towards competitive employment opportunities for underemployed people.

It is not just destitute sick people on our streets. Many of them are underemployed and do not have an opportunity for gain.

So, Mr. Speaker, I commend the gentleman from New York (Chairman LAZIO) for a great bill. I think it is a dynamic young subcommittee. The gentleman is doing a great job. I want to keep my language, and I want that passed on so my housing counseling program would also be available to the

veterans of our country, and they would get a notice and the accompanying protections that are afforded in other type loans.

□ 1500

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Speaker, I want to thank the gentleman for being a tireless advocate on behalf of veterans and to let him know that he has my personal commitment that we will look for a vehicle in which to address the gentleman's concern, because his concern is my concern.

Mr. TRAFICANT. It is in H.R. 2. I want to keep it there.

Mr. LAZIO of New York. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, studies indicate that anywhere from 500,000 to 3 million American men and women are homeless in any given day. That is a very troubling problem, and I commend the work being done by the gentleman from New York (Mr. LAZIO) and all the Members of the House subcommittee for what they are doing to correct this. I applaud their efforts in bringing H.R. 217 to the floor, the Homeless Housing Programs Consolidation and Flexibility Act we have today.

I would like, however, to urge that we also focus much more attention on the largest group of these homeless individuals. This sort of ties in with the comment of the gentleman from Ohio (Mr. TRAFICANT). It is shocking to realize that veterans of services in our Armed Forces represent approximately one-third of all homeless men. Provisions of H.R. 217 do acknowledge the plight of veterans among the ranks of the homeless, but while this bill is a good start, we really must do more for our veterans.

Mr. Speaker, during the 103rd Congress, the House Committee on Veterans' Affairs initiated and the Congress adopted a sense of the Congress regarding funding to support homeless veterans.

Mr. KENNEDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. STEARNS. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I just wanted to commend the gentleman from Florida (Mr. STEARNS) for his concern about the homeless veterans. As we both serve on the Committee on Veterans' Affairs, it is also appropriate for us to take those concerns, I think, on to this new budget that we are going to be discussing in the Committee on Veterans' Affairs over the course of the next few days and to bring this up, because that is one of the accounts in the Committee on Veterans' Affairs budget that has been terribly underfunded this year. So

I would like to work with the gentleman on trying to make sure we put some money into that bill as well.

Mr. STEARNS. I commend the gentleman from Massachusetts for his comments. I would be very happy to work with him. The gentleman has been very active in this area, and I think he is one of the leaders here in Congress on behalf of the homeless veterans.

Mr. Speaker, the measure that I am thinking about called for substantially increasing the funding for organizations that provide assistance primarily to homeless veterans, so that their share more closely approximates the proportion of veterans in the homeless population. This is a goal I think we need to keep in our sights and work hard to achieve.

As a member of the Committee on Veterans' Affairs and chairman of the Subcommittee on Health, I have seen firsthand the kinds of problems that lead to homelessness among those who have sacrificed for this country. I support H.R. 217 but urge this body to do more to assist those organizations which have targeted their efforts primarily at veterans.

In passing, and in part of reference, I wish to add my feelings on this on a personal matter. Many of these homeless populations are down on their luck. I know that is true. They have had problems with their health. There is something else that is occurring here, however. Many of the homeless have learning disabilities that make it very difficult for these persons to retain and keep a job, a job that is above minimum wage.

So in the future, I hope Congress will look at the impact of learning disabilities on homeless veterans and see what we can do to help them in the early stages, so they do not end up as part of the homeless population.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 1½ minutes to my good friend, the gentlewoman from Florida (Mrs. MEEK).

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, to the good chairman, the gentleman from New York (Mr. LAZIO), and the ranking member, the gentleman from Massachusetts (Mr. KENNEDY), I think I will be the only one here in the House today to speak against or in opposition to the bill. It is a very hard thing to do, because of my respect for these two gentlemen and the work that they have done here in the House on housing.

Mr. Speaker, we want all the homeless to be helped, but imposing the same Federal mandates for the entire country may not be the best way to do that, and I am hoping the committee can look at this a little bit further as this bill goes through and goes to the Senate.

I include for the Record a letter from the HUD Secretary, Andrew Cuomo, a letter from the mayor, Alex Penelas, and a letter from the head of my housing foundation, Alvah Chapman, in the RECORD opposing the bill in its current form.

The letters referred to are as follows:

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT,
Washington, DC, February 25, 1998.

Hon. RICK LAZIO,
Chairman, Subcommittee on Housing and Community Opportunity, Committee on Banking and Financial Services,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of January 26, 1998, concerning the Department of Housing and Urban Development's position on current homelessness assistance legislation being considered by the House of Representatives. The Department is proud of the progress we have made through our homeless initiatives in recent years. Our results are clear: Because of better coordination with local governments and comprehensive local planning, significantly more homeless persons are being helped, the capacity of non-profit providers has been enhanced, and substantially more non-HUD funding has been leveraged to address the problem of homelessness.

Policies implemented by HUD in recent years have eliminated the Federal top-down approach which resulted in a fragmented array of housing and services. In place of this failed approach, HUD has instituted the Continuum of Care which awards homelessness assistance funds based on comprehensive locally-developed plans and priorities crafted by a broad cross-section of community stakeholders, including housing and service providers, government officials, the business community, the faith community, and homeless and formerly-homeless people.

The Department's position is that H.R. 217 would compromise this success in several ways. First, whereas the current system allows local control and community design, H.R. 217 would impose top-down Federal mandates. The mandatory set-aside for permanent housing would limit a local community's flexibility to meet the needs it identifies as priorities. The permanent housing set-aside establishes an additional process and stream of funding. HUD has worked diligently to provide communities with a single process with a single stream of funding. This process currently allows communities to fund essential permanent housing and does not limit the percent of dollars spent on permanent housing.

A second Federal mandate in the proposed legislation is the 35 percent services cap. This mandate would once again limit a community's flexibility to design its own programs and approaches to addressing homelessness. If a community exceeds this cap, H.R. 217 would impose a monetary penalty by increasing the local match requirement. We do not believe local flexibility should be constrained, or a locality penalized for meeting its priority needs.

Our third concern is that homelessness assistance providers input and involvement in designing the locality's system is not sufficiently engaged in H.R. 217. HUD's legislative proposal uses the Consolidated Planning process to ensure and protect not-for-profit and provider involvement in local homelessness assistance planning efforts. We do not believe the provisions of H.R. 217 ensure a balanced community process. The Department believes critical elements of local Continuum of Care planning must be explicitly included in any homelessness assistance legislation in order to establish a necessary bal-

ance between local government's submission and homeless provider inclusion.

Finally, our proposal is not designed to be a block grant but rather a performance grant. A synthesis which provides for the formula-based distribution of a block grant and the performance mandate of a competition. We believe strongly that such an approach ensures an equitable distribution of funds while protecting taxpayer's investment in efforts to address homelessness.

In sum, we believe the current community-driven process is preferable to an approach which would limit local decision-making and priority-setting by reestablishing Federal mandates.

We would still support a legislative solution if it removed the 30 percent permanent housing mandate, 35 percent supportive services cap and monetary penalties, and more clearly protected not-for-profits and homelessness providers involvement in the Consolidated Planning and Continuum of Care process.

Thank you for your continued efforts to address the pressing needs of our nation's poor and homeless citizens. I look forward to working with you in the coming months to strengthen our mutual efforts to address these issues.

Sincerely,
ANDREW CUOMO.

METROPOLITAN DADE COUNTY,
STEPHEN P. CLARK CENTER,
Miami, FL, February 27, 1998.

Hon. Congresswoman CARRIE P. MEEK,
Washington, DC.

DEAR CONGRESSWOMAN MEEK: On Tuesday, March 3, 1998, the House of Representatives will consider legislation that will greatly impact homeless assistance funding and the innovative programs that have made Miami-Dade's homeless strategy a national model. The proposed H.R. 217, under the sponsorship of Representative Rick Lazio, seeks to consolidate most homeless funding into a block grant formula. This legislation was introduced in an effort to reduce the Federal "top-down" approach which in past years resulted in an uncoordinated homeless housing and service delivery system. Most recently, however, U.S. HUD has required local communities to coordinate their efforts to fill their needs and gaps. Communities such as Miami-Dade have been able to design successful programs using the competitive funding formula, which has given our community the flexibility to direct funds to meet locally identified needs.

In addition to compromising this most recent successful approach, the proposed legislation has other elements that concern our local community, and would impact the effective and efficient delivery of services to our homeless citizens. In particular, H.R. 217 is intended to provide local control of funding through a block-granting approach. In effect, however, this legislation includes Federal "top-down" mandates, such as mandatory set-asides for permanent housing and a cap on funding for supportive services. These mandates would limit our community's ability to develop strategies specific to address our community's needs. Under the current approach, our community has competitively received over \$70 million in federal funds to implement innovative programs. Complemented by a public/private partnership that has raised an additional \$24 million, more than 4,000 new beds have or will be created for homeless families and individuals.

As we understand, U.S. HUD has indicated it will no longer propose a block-grant driven funding plan and has eliminated this concept from their appropriations request. The U.S. HUD Secretary has expressed concern with the legislation as it is currently pro-

posed. We are equally concerned as it would undo the significant local efforts that have helped so many.

We support the current U.S. HUD funding process and would urge you to consider the significant adverse impact that H.R. 217 would have in allowing us to serve the neediest of our community.

Sincerely,
ALEX PENELAS,
Mayor.

ONE HERALD PLAZA,
Miami, FL, March 2, 1998.

Hon. CARRIE P. MEEK,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSWOMAN MEEK: On Tuesday, March 3, 1998, the House of Representatives will consider legislation that will greatly impact homeless assistance funding and the innovative programs that have made Miami-Dade's homeless strategy a national model. The proposed H.R. 217, under the sponsorship of Representative Rick Lazio, seeks to consolidate most homeless funding into a block-grant formula.

I oppose this approach!!
Communities such as Miami-Dade have been able to design successful programs using the current competitive funding formula which has given our community the flexibility to direct funds to meet locally identified needs!

Under the current approach, our community has competitively received over \$70 million in federal funds to implement innovative programs. Complemented by a public/private partnership that has raised an additional \$24 million, more than 4,000 new beds have or will be created for homeless families and individuals.

I am told that the U.S. HUD Secretary has expressed concern with Lazio's approach to this matter and does not support H.R. 217.

I support the current U.S. HUD funding process and would urge you to consider the significant adverse impact that H.R. 217 would have in allowing us to serve the neediest of our community.

By now, you have received a February 27 letter from Mayor Alex Penelas stating his position in opposition to the Lazio approach (H.R. 217). I completely support the Mayor's view on this.

We have worked very hard to build a system of care for the homeless in Dade County and H.R. 217 would do much to undo our accomplishments.

Sincerely,
ALVAH H. CHAPMAN, JR.,
Chairman, Community Partnership for Homeless, Inc.

Mr. Speaker, I am hoping this will be a strong enough mandate so we can look at this a little further. This bill consolidates the seven existing homeless programs into one new program, with 75 percent of the Federal funds going to a new block grant program and 25 percent going to competitive permanent housing grants. The bill also imposes new mandates on the use of these funds, and takes away the flexibility from counties like Dade and some of the other counties that are using innovative approaches to really develop their housing programs.

They have done a very good job with this. I hope the Senate and the committee will look at this, and I hope they will be able to add more flexibility to this good bill.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I ask unanimous consent to

extend the debate time by 2 minutes on each side, because I would like to make sure that the gentlewoman from Florida (Mrs. MEEK) has the full debate time. She asked for 2 minutes and I only had 1½ minutes.

Mr. LAZIO of New York. Mr. Speaker, I would join in that.

The SPEAKER pro tempore (Mr. SNOWBARGER). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Florida (Mrs. MEEK) is recognized for an additional 30 seconds.

Mrs. MEEK of Florida. Mr. Speaker, if we were to keep these restrictions, it would have a very bad impact on the county. We have developed a very strong public-private partnership under the people there in the county, like the mayor, and certainly \$70 million in Federal funds in Dade County have been joined with \$24 million in local funds, and we were able to create 4,000 new beds for the homeless families and individuals.

My point is we need more flexibility so we can apply a stronger public-private match within our local communities. This bill would help the delivery of services, particularly supportive services, to these homeless citizens.

Mr. LAZIO of New York. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman yielding time to me.

Mr. Speaker, I want to say with tremendous gratitude that my predecessor, Stewart B. McKinney, cared deeply about housing issues and the provision of housing for people in need, particularly the homeless. I appreciated Congress' desire to name the McKinney Act after him, and am very supportive of what the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) have done in consolidating seven programs into a single block grant, with emphasis on permanent housing and coordination among other agencies to leverage necessary supportive services and greater local flexibility.

I strongly support the bill's focus on permanent housing and supportive services to help homeless families find and keep a permanent home. I appreciate the recognition on the part of this Congress that the McKinney Act is a very important part of our homeless effort, and that this act remains intact under his name.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 30 seconds to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I have no problems with this bill. I have everything positive to say about it. It is a terrific bill. It is exactly what we need to do.

One of the even more compelling parts of it is the fact that our ranking

Democrat and our chairman are both in agreement. I know communities all over the country are going to be in agreement with what we are doing here, and most importantly, we are going to be freeing up resources that are currently spent on administrative costs to be spent on improving the lives of homeless people so they can live lives of greater dignity.

It is a good bill. I am glad it is going to get unanimous support in this body. I thank the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. SHEILA JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Massachusetts for yielding time to me, and I thank the gentlemen from Massachusetts and from New York for the creativity and thinking on legislation that is very near and dear to my heart.

In the many times we come to the floor of the House, sometimes it is not our place to give personal stories and anecdotes, but let me say in the city of Houston I have spent time under the bridges with homeless persons. I have spent time in the homeless shelters. I have seen the shanties that are built right here in the United States of America, confronting our homeless citizens, dealing with the crisis of homelessness.

What I would say, Mr. Speaker, is that this is a step in the right direction. It is particularly a step in the right direction because of the fact that it coordinates the needs of our homeless veterans. I spend many a day in the veterans' hospitals talking to those who are now hospitalized, and as well, dealing with homeless veterans on the streets.

In fact, I participate in what we call "Standdown" in Houston, where we go out and bring services to our homeless veterans. If there was ever a greater sacrifice than those who have served our country in the military, it is coming home to be a homeless veteran. So I thank the committee for the leadership in coordinating with the Veterans Administration in dealing with those persons who are veterans and homeless, as well as the opportunities for housing for our women and children and other homeless persons.

Let me say, however, that I would like to add my concern and hopefully expression of interest in working with the committee, although I am not on the committee, on issues reinforcing the continuum of care, looking again at the caps and requirements and the suggestions on where the local communities use their funds.

We are all different, and years ago Houston had one of the highest homeless rates. We still have 10,000 persons on the streets. I know there are many ways we confront those questions.

I would simply say to both the chairman and certainly to my good friend,

the gentleman from Massachusetts (Mr. KENNEDY), who has been so much in the forefront of this issue, if they would allow me to have continued input on how this may impact some of our local communities I would appreciate it. I think we are going in the right direction. Anytime we can help cure the disease of homelessness, I think we are going in the right direction.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

In closing, Mr. Speaker, let me again congratulate the gentleman from New York (Mr. LAZIO) on an excellent piece of legislation. I want to thank the staff on the Republican side for their efforts, and I would also like to thank both Angie and Rick on the Democratic side for the efforts they made, and particularly to Scott Olson, who has worked very hard on this piece of legislation.

In my final comment, Mr. Speaker, I just would hope that the gentleman from New York and I could agree to take the next stage of this fight to the Committee on Appropriations with, I hope, the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE), to make certain that the Committee on Appropriations now follows through on the \$1 billion request that has been unanimously asked for by the Committee on Banking and Financial Services, and I hope by the body as a whole.

Again, I want to congratulate the gentleman from New York (Mr. LAZIO), wish him the best, and hope we have more opportunity to work together in the future.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by emphasizing to the gentleman from Ohio (Mr. TRAFICANT), to let him know publicly that I am committed to his counseling notification provisions in H.R. 2, and that I will work hard to make sure it is part of the final product that is moved through conference and hopefully to enactment.

I am confident that H.R. 2 will come to fruition this year, and if need be, we will look for other vehicles in order to address the gentleman's concern. I want the gentleman to know that. I respect him for his unwavering interest in this particular issue.

Let me also thank once again so many people, Mr. Speaker, who helped make this possible: The gentleman from Florida (Mr. CANADY), who was truly a friend to the process, who worked with us and the staff, and on the Democratic side, the gentleman from New York (Mr. LAFALCE) and the gentleman from Texas (Mr. GONZALEZ), and our side of the aisle, the gentleman from Iowa (Mr. LEACH), and many of the speakers who have been here and spoken on behalf of this bill.

Let me particularly thank, Mr. Speaker, the many thousands of Americans that every day get up to serve

the homeless. It is I think a very foreign thought for many of us who we have been blessed to grow up in more affluent areas and with families that have been intact and nurturing, to imagine that so many of our neighbors could live out on the streets in some of the coldest days of the year, not just adults but people who are elderly, young children, suffering on the streets and outside. It is not part of an America that I envision for my children or for their neighbors or for Americans in the next generation.

□ 1515

I think we have before us the makings of a solution to the problems. One of the frustrations that we have in the Federal level, I think, is that we so often see the solutions, we know what they look like. In this case we know that community-based solutions work. We know that flexibility and creativity needs to be rewarded. We know that reciprocity works. We know that the services that help those people who were disabled because of mental illness or physical disability or because of drug addiction or alcoholism, that those do not go away without some support and some help. And we know with help and with support that people can make it to independence and self-sufficiency.

That is the name of the game, Mr. Speaker. It is not just to maintain people, but to help them transform to self-sufficiency; helping them to achieve a quality of life that we would want if somebody on the street were a member of our families; that we care enough to make the effort to support the people, the advocates, the people that manage homeless programs throughout America.

Mr. Speaker, we also know that we can do this in a more cost-effective way. We know that throwing money at the problem alone will not solve it. We know that we need to be value-oriented, that we need to have a sense of success. We need to define success and we need to hold ourselves to that standard. This is important work. This is about saving families and seniors and adults, people that can be saved if we make the effort.

So, Mr. Speaker, I ask my colleagues to support this important legislation, a product born of input from many, many people, people that will not necessarily make the evening news or the front page of the newspapers but nonetheless contribute to their neighborhood in a very important way. Mr. Speaker, I ask my colleagues to support this important bill to help the beginning of the end for the homeless.

Mr. BARR of Georgia. Mr. Speaker, in my home county of Cobb Georgia we have seen first hand the problems associated with the Federal Government controlling the purse strings.

In one case, due to a misunderstanding between the national HUD office and the Regional office Cobb County has been made to suffer.

In a circumstance where Cobb county should have received upwards of six hundred thousand dollars to benefit the homeless. Instead only one project worth eighty one thousand dollars were approved.

In a recent letter to Speaker GINGRICH, the Cobb County Community Development Block Grant Program wrote the following:

We do not understand why HUD chose to ignore the needs of the sizable homeless population in Cobb County, particularly when local organizations have done such a good job of carrying out local planning and coordination in compliance with HUD's stated objectives for the Continuum of Care process. Nor do we feel that HUD has been candid in explaining why the project was not funded.

Mr. Speaker, H.R. 217 consolidates the seven existing homeless programs under HUD and requires all Federal departments and agencies to coordinate homeless assistance. Wasteful duplication is eliminated and resources are directed to those that need them the most.

H.R. 217 also provides incentives for communities to confront homeless issues comprehensively. It emphasizes the importance of partnerships among the variety of non-profit developers and service agencies in dealing with the special needs of homeless persons.

Mr. Speaker, by consolidating these programs into block grants we can help give state and local governments the ability to fight the problem of homelessness in a much more efficient manner. In the end, H.R. 217 will ensure a better use of tax payer dollars and better care for the homeless.

Mr. CAMPBELL. Mr. Speaker, I am pleased to rise in support of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act. The homeless crisis continues to be a serious and growing problem, and this legislation addresses it with common sense and compassion.

Through passage of H.R. 217, Congress is recognizing the simple but unassailable principle that no one should live and die on the streets. This legislation takes a number of steps that Congress can and should take to attack this problem. For starters, we provide for more effective delivery of McKinney Act Homeless Assistance programs—programs which give direct assistance just to the homeless. This bill consolidates the seven existing homeless programs under HUD and requires better federal coordination of all homeless assistance. It also provides incentives for communities to confront the homeless problem at the local level, where the decisions are the best-informed. Non-profit developers and service agencies will be given the tools to work together in dealing with the special needs of homeless persons.

The bill provides for the better value in federal homeless spending while making our most vulnerable population more self-sufficient. Instead of the more expensive and less effective approaches of the past, we are able to focus more attention on a coordinated, long-term vision for the homeless with concrete results. There is simply no reason to fail in providing shelter, whether permanent or temporary, to people who have nowhere else to turn. Our homeless population, often trapped in a cycle of hopelessness beyond its control, deserves an innovative response from Congress. I applaud Chairman LEACH, Chairman LAZIO, Congressman VENTO, and Con-

gressman KENNEDY, as well as a bi-partisan coalition of concerned Members, who have worked hard to move homeless assistance policy into the next century.

Mr. LAZIO of New York. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SNOWBARGER). The question is on the motion offered by the gentleman from New York (Mr. LAZIO) that the House suspend the rules and pass the bill, H.R. 217, as amended.

The question was taken.

Mr. LAZIO of New York. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 217.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SAM NUNN FEDERAL CENTER

Mr. KIM. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 613) to designate the Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, as the "Sam Nunn Federal Center," as amended.

The Clerk read as follows:

H.R. 613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, shall be known and designated as the "Sam Nunn Atlanta Federal Center".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the "Sam Nunn Atlanta Federal Center".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. KIM) and the gentleman from Ohio (Mr. TRAFICANT) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. KIM).

Mr. KIM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 613, as amended, designates the Federal building located in Atlanta, Georgia, as the "Sam Nunn Atlanta Federal Center."

Sam Nunn was born September 8, 1938 in Houston County, Georgia. He received his undergraduate degree from Emory University in 1960 and also his law degree in 1962. During this time, he served in active duty in the United

States Coast Guard from 1959 to 1960 and then remained in the Coast Guard Reserve until 1968.

Sam Nunn served in the Georgia House of Representatives from 1968 until 1972. He was then elected to fill the vacant Senate seat of Richard B. Russell and was reelected to the seat for four consecutive terms.

In the Senate, Sam Nunn earned the respect of his colleagues for his extensive work and knowledge of defense matters and his expertise on NATO, nuclear weapons, and other military manpower. From 1987 to 1995, he served as Chairman of the Armed Services Committee of the Senate. Through his position on the Armed Services Committee, Senator Nunn was a vocal advocate of a strong national defense and unwavering in his support for our men and women in uniform.

The designation of the Federal building in Atlanta in honor of Senator Nunn is a fitting tribute to a distinguished public servant. I support this legislation and urge my colleagues to support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I too rise with great enthusiasm to support this bill introduced by the gentleman from Georgia (Mr. LEWIS), my friend, who recognized the outstanding contributions of former Senator Sam Nunn.

He was elected in 1972, as stated earlier by the gentleman from California, and he quickly became one of the leading figures in all of American Government and is still recognized as an international expert on economic policy, national security affairs, and certainly defense issues as they relate to America and the world.

Senator Nunn was one of the most respected Senators we have ever had. He was known for his bipartisan efforts, a strong work ethic and working style that made things happen, and such an immense grasp of very complex foreign issues that he many times helped to mitigate problems that were developed therein.

He was also respectful of his office and he never tried to waste the taxpayers' dollars.

Mr. Speaker, I want to make a statement here. When I was chairman of the Subcommittee on Public Buildings and Economic Development, this committee, I opposed this building that is now being named for Senator Nunn. We opposed it because it was going to be leased for 30 years at a cost of \$3 billion without any owner equity for the American taxpayers at the end of that term. The gentleman from Tennessee (Mr. DUNCAN), my good friend, and I would not allow that.

This project was constructed, I believe, on a time schedule with a savings of almost half a billion dollars to the American taxpayer. That is fitting for the legacy of the man for whom this

building now shall be named, Senator Nunn. I am proud to rise and support the gentleman from California (Mr. KIM).

Mr. Speaker, I reserve the balance of my time.

Mr. KIM. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. CHAMBLISS).

Mr. CHAMBLISS. Mr. Speaker, I thank the gentleman from Ohio (Mr. TRAFICANT) for his kind comments about my good friend and constituent, the Honorable Sam Nunn.

Senator Nunn distinguished himself not only in this body that we serve in now, the United States Congress, but from his early days as an All State basketball player at Perry High School in Perry, Georgia; through his days of law practice in Perry, Georgia; and through his days of service to the State of Georgia in the House of Representatives and of course his days in the United States Senate. He is now distinguishing himself as a very fine lawyer in Atlanta, Georgia.

Mr. Speaker, it was about 25 years ago along about this time of the year that a fellow walked into my coffee club in Bull's Restaurant in Moultrie, Georgia and introduced himself as Sam Nunn and said he was running for the Senate. Nobody knew who Sam Nunn was in our part of the world at that time. In fact, I myself was supporting another Democratic candidate in the Democratic primary. But it was not long until everybody in the State recognized the qualities of the young man from Perry, Georgia. He went on to get the nomination and of course to win in the general election in November, and he served 24 years with honor in the United States Senate.

Sam Nunn succeeded another honorable man, the Honorable Richard B. Russell, and Sam always admired and was inspired by the service of Senator Russell and looked up to him in a way that a lot of us now look up to the service that Sam provided to our State.

Sam was well-known, as the gentleman from Ohio said, on a number of issues, primarily in the area of national security and defense. But his ideas and his thoughtfulness on every single issue that came before the United States Senate was well thought out and well respected by his colleagues. In fact, Senator Nunn was way out front on the balanced budget issue before it was fashionable on the Hill to talk in terms of balancing the budget of this country.

Today he continues that fight. He serves as cochairman of the Concord Coalition, and one of the main points that he advocates is continuing to hold our feet to the fire to ensure that we do continue along the lines of balancing the budget of this country to make this country a better place for our children and our grandchildren.

Mr. Speaker, it is a great pleasure for me to rise today in support of this bill naming the Federal building in Atlanta, Georgia, after the Honorable

Sam Nunn, my constituent, my colleague for 2 years, and most importantly, my friend.

Mr. TRAFICANT. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LEWIS), sponsor of the bill and an outstanding leader on our side of the aisle.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentleman from Ohio, my friend, for yielding me this time, and I thank the gentleman from California (Mr. KIM) as well as the gentleman from Ohio for their work to help us honor Senator Sam Nunn, a fellow Georgian.

Mr. Speaker, I believe we all recognize the tremendous accomplishments of Sam Nunn and his service in the United States Senate. Sam Nunn was one of the true statesmen of that body and is a source of pride to all Georgia.

Since winning election to Congress in 1986, I have had many opportunities to work with Senator Sam Nunn on several issues, and often benefited from his experience, his counsel, and his support as we worked together.

Since his election to the Senate in 1972, Senator Nunn has served the State of Georgia with honor and distinction. Senator Nunn worked to become the Senate's foremost expert on national security and international affairs. Senator Nunn served 8 years as the chairman of the Senate Armed Services Committee and retired as the ranking Democrat on both the Armed Services Committee and the Permanent Subcommittee on Investigations.

Mr. Speaker, the naming of this building located in the heart of downtown Atlanta will be a fitting tribute to a great American and to a citizen of the world, Senator Sam Nunn. For these reasons, I hope that the Federal Center will soon bear the name of our former Senator and colleague, Senator Sam Nunn.

Mr. BISHOP. Mr. Speaker, I rise today as a cosponsor and supporter of this measure which would designate a building in downtown Atlanta as the Sam Nunn Federal Center. This is a fitting tribute to a friend who happens to be one of the great Georgians and great Americans of our time.

I am proud to have had the opportunity to serve with Senator Sam Nunn as a member of the Georgia Congressional delegation for four years. The benefit of his counsel and his friendship, is one of the great privileges that I have had in public life.

Senator Nunn has played a major role in shaping our times. He is, in fact, an historic figure. Our country is stronger and the world is freer and more secure because of his 12 years of leadership as Chairman and Ranking Minority Leader on the Senate Armed Services Committee. In fact, no one played a bigger role in building our modern military infrastructure than Senator Nunn—and that was one of the essential factors leading to the demise of communism and the global spread of democracy.

This native Georgian, an offspring of a Houston County farm family, followed in the footsteps of his uncle, Representative Carl Vinson, and legendary Senator Richard B.

Russell, both longtime chairmen of their respective armed services committees who also made historic contributions to national security. He certainly did them proud. In carrying on their tradition, he won the admiration of his colleagues on both sides of the aisle and achieved international recognition for helping secure peace and freedom throughout much of the world. And he did it his way—not with conflict and confrontation, but through the exercise of quiet strength, deep knowledge, and thoughtful statesmanship.

While he will be most prominently remembered for his work on defense and national security, Senator Nunn did much more. He helped restore fiscal responsibility and efficiency in federal government, fought for land conservation and the environment, attacked drug abuse, and promoted a spirit of citizenship and patriotism in our state and across the country.

Again, I rise in strong support of this measure and I urge all of my colleagues to do the same.

Mr. KIM. Mr. Speaker, I yield back the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I rise in strong support of this bill, asking for an "aye" vote, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. KIM) that the House suspend the rules and pass the bill, H.R. 613, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to designate the Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, as the 'Sam Nunn Atlanta Federal Center'."

A motion to reconsider was laid on the table.

Mr. KIM. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure be discharged from further consideration of the Senate bill (S. 347) to designate the Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, as the "Sam Nunn Federal Center" and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF SAM NUNN FEDERAL CENTER.

The Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, shall be known and designated as the "Sam Nunn Federal Center".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be

a reference to the "Sam Nunn Federal Center".

MOTION OFFERED BY MR. KIM

Mr. KIM. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KIM moves to strike all after the enacting clause of the Senate bill, S. 347, and insert in lieu thereof the text of H.R. 613, as passed the House.

Motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to designate the Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, as the 'Sam Nunn Atlanta Federal Center'."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 613) was laid on the table.

GENERAL LEAVE

Mr. KIM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous materials on H.R. 613 and S. 347, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1530

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington, D.C. (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

(Mrs. MINK of Hawaii addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

(Mr. METCALF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. KINGSTON) is recognized for 5 minutes.

(Mr. KINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. EDWARDS) is recognized for 5 minutes.

(Mr. EDWARDS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. BROWN) is recognized for 5 minutes.

(Ms. BROWN of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE FEDERAL BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. NEUMANN) is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, today CBO or the Congressional Budget Office, the agency that is responsible for tracking revenues and expenditures of the United States Government on behalf of the House of Representatives and the Senate, released a new set of estimates. And it does verify that for the first time since 1969, we are going to have a surplus in fiscal year 1998. This is great news for America. The first time since 1969, I was a sophomore in high school, the United States Government spent less money than what they had in their checkbook.

To me when I came here 3 years ago, this was deemed an impossible dream. When we said we were going to balance the budget by the year 2002, people looked at us, yawned and basically said, we do not believe you, because they had made so many broken promises in the past. Today we stand here with final documentation and verification that in fact the budget is not only balanced, but we are running a surplus.

CBO, the scoring agency or the agency responsible for making predictions here in Washington, is suggesting that we have about a 5, maybe a \$10 billion surplus. I would like to go a step further than that. I believe the surplus is much more significant than that. I believe that we will run a surplus in fiscal year 1998 in excess of \$25 billion.

I think it is worth talking about where we are from a budgetary point of view, where we are going to and especially how Social Security fits into this overall picture because I have just

spent days in Wisconsin where we were in about eight or nine different cities, and everywhere I went, the Social Security issue came up.

So I would like to begin with where we are today and how we got here. Then I would like to look at what we can do in the near future, and then I would like to look at the bigger picture of where we are going to.

I would like to start today by just taking a look at how fast and how rapidly the Federal debt facing our Nation has grown. What I have in this chart is I have a picture of the growing debt facing the United States of America. It can be seen that before 1980, the growth in this debt was pretty minimal. As a matter of fact, it is not quite a flat line, but it did not grow very much between 1960 and 1980. But from 1980 forward, the growth of the Federal debt is very, very substantial.

As a matter of fact, when I left the private sector, I had never been in office before, when I left the private sector, we were about here on this chart. I realized that if this growth pattern of Federal debt was not stopped, that our children did not have a very bright future in this great country we live in. So that is really the primary reason for leaving the private sector and coming in, was to change this picture.

Here today, if we had said a while ago that this was going to flatten out and it was going to steady out here and actually start coming back down because we are running a surplus, people would not have believed us. As recently as 3 years ago, when we looked at 1980, at the point at which the debt started growing dramatically in this country, all the Democrats blamed Ronald Reagan and all the Republicans blamed the Democrats for not being able to control spending.

Again, I would like to point out that the fact of matter is that we are here on this chart. It is not a Republican problem. It is not a Democrat problem. It is an American problem. The only way we can solve this problem is if we as Americans step forward and put forth solutions to the problems. That is what our last 3 years here in Washington have been all about.

For Members that have not seen how large this debt is, I would like to point out the number. We are \$5.5 trillion in debt today. Translation: If we divide the debt by the number of people in the United States of America, the United States Government has literally borrowed \$20,400 on behalf of every man, woman and child in the United States of America, or for a family of five like mine the United States Government has borrowed \$102,000.

The real kicker in this picture is down here on the bottom line. This is real debt. Just like any other debt in the United States of America, interest is being paid on this debt. In fact, for a family of five like mine, I have got three kids and a wife at home, for a family of five like mine, we are paying \$580 a month every month to do abso-

lutely nothing but pay interest on the Federal debt.

When we think about a family earning \$40,000 to \$50,000 a year from Wisconsin or anywhere else in the great country that we live, when we think about that family being required to send in 580 bucks a month, an average family of five, to do absolutely nothing but pay interest on the Federal debt, it is a pretty staggering number. The amazing thing is people do not even realize they are paying all this money in. One dollar out of every six that the United States Government does absolutely nothing but pay interest on this Federal debt. One dollar out of every six the United States Government spends does nothing but pay interest on this debt.

When a family does something as simple as buy a pair of shoes for the kids and the family, they go into that store and they buy the pair of shoes. The store owner makes a profit on the sale of that pair of shoes to the kids, and when the store owner makes a profit on the sale of that pair of shoes, part of that profit gets sent to Washington, and of course what it does is nothing but pay interest on the Federal debt.

I emphasize that one dollar out of every six that the United States Government spends today goes to pay interest on the Federal debt. Let me put that a different way so it makes a little more sense. One dollar out of every six that the United States Government collects in tax revenue from our working families all across America, one dollar out of every six does absolutely nothing but pay interest on that Federal debt.

I think the question begs asking, how in the world did we get to this kind of a situation, where we are \$5.5 trillion in debt, \$20,400 for every man, woman and child and to a point where a family of five in America pays \$580 a month to do nothing but pay interest on the Federal debt?

When we look back at this picture how we got here, I have a picture here of the Gramm-Rudman-Hollings Act, and most folks remember either the Gramm-Rudman-Hollings of 1985 or maybe the one of 1987, or maybe they remember the 1990 budget deal. When we look back in the past and how we got into this mess, time after time the people that were in Washington promised they were going to get to a balanced budget. This blue line on the chart shows the Gramm-Rudman-Hollings promise of 1987, but the one for 1985 is the same thing. They had a blue line that said they were going to balance the budget. 1987 is the one I have shown. The 1990 budget deal. They are all the same. This red line shows you what actually happened to the deficit.

The American people got very cynical looking at this picture time and time and time and time again. They had been promised a balanced budget, and it was not delivered by Washington, D.C. and by our government. So in

1994, the people looked at this picture and they said, we are really fed up with these broken promises. We need a change in Washington, D.C. 1993 was the year we had the biggest tax increase in American history. It was the year they looked at this picture and said, the only way we can solve this big deficit that remains out there, in 1993-1994, it was still \$350 billion of deficit, that is, the government was spending \$350 billion more than it took in, they looked at this picture and said, we know how to solve that. Let us go to the American worker. Let us take more money out of their pocket. That way we can maintain Washington spending, and while we maintain Washington spending, of course we will just collect more tax dollars from the American people. That was the 1993 solution. So it was the broken promises that led to 1993. That was the 1993 solution of raising taxes to solve this problem.

What we found out in 1993, what I knew all along because I was in the private sector working our tail end off, when we were in the private sector we did not want government to take more money from the people to balance the budget. That is not what we wanted. What we wanted was government to control their own appetite for spending, to reduce the size of Washington and lead us to a balanced budget, not by higher taxes, but by less Washington spending.

So in 1993, the people saw this picture. They survived the tax increase, 4.3 cents a gallon for gasoline. It was not even spent to build roads. It was put into social welfare programs, Social Security tax increase, marginal tax bracket increases. The taxes went up on virtually every American citizen in that 1993 tax increase.

So what did the American people do? This is America and a great country. The people in this country had the opportunity to change that, and they did in the 1994 elections. In the 1994 elections they saw their way clear to put Republicans in charge of the House of Representatives and the Senate for the first time in a long, long time, 40 years to be exact. Now we are 3 years into this changed group of people in charge of Washington or our government.

I think the American people ought to be asking the question, is there really any difference, or are these people the same, and are they breaking their promises like before? I would like to answer that question. When we got here in 1995, we laid out a plan again to balance the budget. We said we were going to get there by the year 2002. I have to be honest with my colleagues, what the people said, they yawned and they said, yes, sure. We will believe it when we see it. The time has come to believe it. We not only got the job done by 2002 as promised, we have actually hit our first balanced budget since 1969, 4 years ahead of schedule. We not only got the job done, I think it is very important in the picture form to see that

the red line is now below the blue line; that is, we are outperforming what we said we would do as opposed to what happened before we got here.

It is a very, very different picture in Washington, D.C. Let me emphasize this once more. For the first time since 1969, for the last 12 months running, the United States Government spent less money than they had in their checkbook. This is a monumental accomplishment, and it has been done in 3 short years, well ahead of schedule, of what was initially promised in 1995 when we got here.

An interesting thing happens, when I am out in Wisconsin at a town hall meeting talking to our constituents about this. What happens is they go, hey, MARK, the economy is so strong, you politicians are taking credit and you couldn't have messed it up if you tried. The facts are the economy is very strong. Lots of extra revenue is coming into the United States Government because hard-working American families are busting their tail ends and being successful out there in the private sector, and of course the more income that they earn for their family, they send extra tax revenue to Washington. That is true, there is no question about it.

But that is not the end of the story, because between 1969 and today, there have been other time periods in this government where the economy was strong and extra revenue came in. And every time in the past when Washington got their hands on more revenue, they figured out exactly what to do. They spent it. And that is the difference.

I brought a picture here to help see that a little easier and clearer. In the past, every time the economy got strong and extra revenues started coming in, in the past every time that happened, Washington just spent more money so that we still did not balance the budget. That is why the budget has not been balanced since 1969.

This government was different. The people that came here and were put in charge in 1995 were different. NEWT GINGRICH, JOHN KASICH, some of the others that were here deserve a lot of credit for this picture; BOB LIVINGSTON, to mention another name. Before we got here, growth in spending and this red column shows you how fast spending was going up before we got here in 1995. In the face of this very strong economy with extra revenue coming in, the spending growth rate was reduced to 3.2 percent in our first 3 years. So you see in the face of this strong economy sending extra revenue to Washington, instead of increasing the growth rate of spending, this government saw fit to decrease the growth rate of spending.

It is a combination of the strong economy coupled with the reduced growth rate of Washington spending that has put us in the position where we have actually balanced the budget for the first time in 30 years. And we have done it 4 years ahead of schedule.

□ 1545

It is this distance from here to here that has put us in this wonderful position where the budget is, in fact, balanced for the first time in 30 years and a tax cut has been provided for the first time in 16 years.

And I would just mention that a lot of folks say, well, we should not want to be cutting taxes until we get the debt paid off. We should not be cutting taxes, but then they put in a "because." I want to point out that the tax cut came about because instead of this blue column being way up here, the spending growth rate being the same as it was before we got here, by bringing that growth rate down to here, it provided money available to reduce taxes on working families all across America.

And does a tax cut matter? Sometimes I get out there and people start complaining that the tax code is so complicated they do not even understand the tax cut. Let me just walk through a couple of things that are very real to the folks in my district and to the folks all across America.

Let me start with the \$400 per child. And, remember, when we talk about this \$400 per child, it is less Washington, as seen in this picture. This distance from where this red column was, down to here, is less Washington, so these families can keep more of their own money in their own home.

A family with three kids, three kids under the age of 17 from Wisconsin, earning \$50,000 a year in that family. Sounds like a lot of money? Well, \$50,000 a year and three kids is not a lot of money. It goes very fast. That family, under the tax cut package that was passed last year, will keep \$1,200 more in their own home instead of sending it out to Washington. Twelve hundred dollars is \$400 per child more in the home instead of being sent to Washington.

I always ask the question out there, too, and I show this kind of chart and I say, look, we could have done more here in Washington. We could have spent more money and kept this blue column up here even with the red column so the spending growing was the same as it was before we got here. We could have done more in Washington. We chose instead to let families keep more of their own money. Then I ask if we had spent more in Washington, instead of doing the tax cut package for the families, 550,000 in Wisconsin alone get to keep more of their own money, if we spent more in Washington, would we do a better job in Washington of spending those families' money than the families would themselves? There is not a single person anywhere we have seen so far that would be willing to stand up and say the United States Government in Washington can do a better job spending those families' money than the families can.

I will give another example of a family from Wisconsin we had at a town hall meeting. They have one in college,

a freshman in college, and they have two kids under the age of 17 still at home. For that family, under the tax cut package, and they are a middle-income family; they did not tell me exactly, but between 40,000 and 60,000 a year. That family with three kids at home, one in college, a freshman, and two kids under the age of 17 still at home, when they get a \$400 credit on the bottom line for each of the kids still at home, that is \$800 for the two kids.

And they get a \$1,500 assist for the college tuition. Because in a middle-income family in America today, sending a child off to college is very, very expensive. So the tax cut package contained a provision that if a family has a child that is a freshman or sophomore in college, they can subtract \$1,500 off of what they would have sent to Washington and keep it in their own home to help pay that college tuition.

So for this family of five that we are talking about, two kids at home under the age of 17, and a freshman in college, this family of five is going to keep \$2,300 more in their home this year rather than send it to Washington. And again, when we ask a family like this do they really think Washington could have spent that money better than they can; do they think Washington could make better decisions on how to spend that money or do they think they can make those decisions themselves, we have not found anybody in Wisconsin that is willing to stand up and say send the money to Washington; we do not think we pay enough taxes, and Washington knows best how to spend it better than we do. That just does not make sense in Wisconsin, and I do not believe it does anywhere in this country.

So I am happy to be here to talk about the things we have accomplished. When we look to the past and see the broken promises of Gramm-Rudman-Hollings, promises repeatedly of a balanced budget that did not occur, and then we look to the past where they raised taxes to try to solve this problem, like in 1993, and then we compare that to the present, where for the first time in 30 years we are actually spending less money than we have in our checkbook, this is really great news. The first time in 16 years taxes are coming down.

Capital gains we did not mention before, but for those people investing in stocks and bonds and mutual funds all over America, and by the way I hope they make a profit, because that is what investment is all about. It is not evil and rotten to invest in a stock or a bond or a mutual fund and make a profit. That is not bad, that is good. And when they make the profit, the capital gains tax rate has been reduced from 28 down to 20. And if they are in the lower income bracket, the rate has been reduced from 15 down to 10.

So this idea of looking into the past and seeing the broken promises and the

higher taxes and understanding something different is going on in Washington today, I think that is a very important idea as we look at the changes that have occurred out here since 1995.

So we have what is called a balanced budget. We have taxes coming down. I think we have to ask ourselves what next. And I think to answer that question we need to describe, and this is not going to be quite as positive from here on out, I think we need to keep it in perspective. This is very positive thus far, and actually balancing the budget 4 years ahead of schedule by Washington definition, that is good. And the definition they are using here in Washington is the same as it was all the way back to 1969. But we still have some problems, and as we look to the future we will have to address those problems.

To explain this, I want to start by defining exactly what is meant by a balanced budget in Washington, D.C. Let me preface this by saying I am a home builder and we had a home building company. And we had employees working with us in that company. And my definition of a balanced budget in my home building company would be very different than Washington's definition of a balanced budget.

But having said that, let me define what Washington calls a balanced budget. Washington says their budget is balanced when the dollars collected in taxes equal the dollars sent out in checks. So if we look at all the dollars coming into Washington, the dollars in equals the dollars out. That is Washington, or the government's, definition of a balanced budget.

Now, on the surface that makes a pretty good amount of sense, but I want to get beneath the surface and look at what is actually going on when we talk about this balanced budget. And let this not take any credit away from reaching this point after 3 short years, but let us recognize we still have a very serious problem facing our country.

The reason it is important to understand that is because Social Security plays into this picture dramatically. In the Social Security system, which is part of those dollars in and it is part of those dollars out, what is going on in Social Security today is the Social Security system is collecting \$480 billion out of the paychecks of workers all across America.

So when we look at our pay stubs and see there has been money taken out for Social Security, if we add up all the money coming in for Social Security, it is \$480 billion. If we look at the money being paid back out to senior citizens in benefits, so we have 480 coming in, the amount going back out to senior citizens in benefits is \$382 billion.

The difference, the surplus, is \$98 billion if we are looking at just the Social Security system. And again this is very important. It is pretty easy to understand. If this was our checkbook at

home and we are sitting down to do our bills, and we had \$480 in our checkbook and we wrote out a check for \$382, we would in fact have \$98 left in our checkbook. That is Social Security today. It is collecting \$480 billion, paying \$382 out, and there is \$98 billion left.

Now, just as many people out there in America might be saving this \$98 or \$98 billion, in the case of the Social Security trust fund, for when they reach retirement, so that when they do not have enough money coming in they can go to that account that they have been building and saving over a period of time and get money out in order to still pay their bills, that is how American families do this all across our country. Social Security is supposed to work the same way.

We know in the not too distant future that, when the baby boom generation gets to retirement, this number of dollars coming in as compared to the number of dollars going out is going to turn around and the dollars coming in is not going to be enough to pay the dollars going out. That is when the problem hits in Social Security.

Now, in Washington and in many government agencies, they have misled our seniors into believing this does not happen until the year 2029. That is absolutely not true. The amount of dollars coming in versus the number of dollars going out turns around in the year 2012 and perhaps sooner. So what we are really saying here is that the shortfall occurs in Social Security in the year 2012.

Now, the reason they talk about 2029 as opposed to 2012 is they assume between 2012 and 2029 that they can get their hands on this money that is supposed to be in the savings account. Just like in our families when we run short, we go to the savings account, get the money and put it into our checkbook and make good on our checks.

So once more through this. Today there is 480 coming in, there is 382 going out, there is 98 supposed to go into a savings account. Between now and 2012 these two numbers turn around and there is not enough money coming in, too much going out, and we have to be able to get our hands on that money in the savings account.

Now, I find when I am out in my district and I ask the next question, with \$98 billion extra coming into Social Security, what do you suppose the United States Government does with that \$98 billion? I find that the people in my district generally say they spend it. And the people in my district are absolutely correct.

The \$98 billion that has been taken in for Social Security goes into, think of this as the big government checkbook or the general fund. They then spend all the money out of the general fund and, at the end of the year, we have actually been running deficits since 1969. So after that \$98 billion comes in and they write all the checks out of the

general fund, there is no money left to put down here in the Social Security trust fund. So what they do is put an IOU in the Social Security trust fund instead.

Now, it is important to understand that when Washington says they are balancing the budget, what they mean is that this circle right here is balanced. They mean that after the \$98 billion has been put into the checkbook and then all the checks have been written out, that the remaining balance is zero. That is a balanced budget in Washington. The problem with that is there is still no money being put into the Social Security trust fund.

Now, in my business, in the home building business, if this would have been the pension fund, we absolutely could not have gotten away with this. It would have been illegal and we would have been arrested for doing this. But in Washington that is the way this program is set up.

I want to be specific on this, and please do not shoot the messenger. We are trying to solve this problem. In some groups I am with in Wisconsin, I almost feel like I am going to get shot when I tell them about what is going on. It is important to understand that what is going on down here is an IOU. It is a nonnegotiable, nonmarketable Treasury bond.

The significance of nonnegotiable-nonmarketable is that when those two numbers that we just had up here turn around and there is not enough money coming in for Social Security, we cannot take what is in this account and sell it and get the money we need, or we cannot go to our savings account and get the money out.

Now, in this town it is great. People run around and they say those IOUs are backed by the full faith and credit of the United States Government, so why should I question the value of those IOUs in the Social Security trust fund. I always ask the next question. They are backed by the full faith and credit of the United States Government, so when we need the money in 2012 or sooner, where is the United States Government going to get that money from to make good on those IOUs?

That is when the lights begin to dawn and they see how serious the problem is, because when we need that money in 2012 and perhaps sooner, and the United States Government has to make good on those IOUs, there is only a very limited number of things that can happen. One is they could raise taxes on our children and our grandchildren. I do not find that very inviting. I think the tax rate is too high as it stands.

The second thing they could do is put off the date when those IOUs come due. And of course that could be done by changing benefits to our senior citizens. I do not find that very desirable.

So if we do not raise taxes and we do not put off the date the IOUs come due, what is the other option? The other option really is to go into the private sector and start borrowing money out.

And when we start talking about that picture, we are right back to this chart I started with.

I do not know of any American citizen that is going to suggest that the right solution to the Social Security problem is to recreate this climbing debt chart that has been given to us over the last 15 to 20 years. I do not know of any American citizen that would contend that this is the right thing to do as we look to the future of this great Nation.

So the question should be asked: What are we doing about it? In our office we have introduced a piece of legislation, it is called the Social Security Preservation Act. It is bill number H.R. 857. And this may seem pretty obvious to most people in America. I notice when I am in Wisconsin, it seems to be an obvious solution. We simply take that \$98 billion that is coming in extra for Social Security and we put it immediately into the Social Security trust fund. We do that by buying Treasury bonds, the same kind of thing that any senior citizen could buy at any bank in the United States of America.

The advantage of doing it this way: Number one, we start reporting honestly what is going on in the budget process, because the money now does not get into the big government checkbook, or the general fund. And number two, when those numbers turn around and there is not enough money coming in and we have to make good on those IOUs, we will now have an asset in this trust fund, much like a savings account, that could simply be sold to generate the money we need to make good on the Social Security payments to seniors.

So, again, the solution to this problem, and I am happy to say there are Democrats and Republicans both supporting this bill, it is H.R. 857, it is called the Social Security Preservation Act. I would encourage my colleagues that have not joined with us yet to join us on this bill as soon as possible so that we get the support necessary to bring this bill to the floor of the House.

If this bill is passed, Social Security becomes solvent for our senior citizens all the way to the year 2029. Now, I might say after 2029 there is still a problem, but at least between now and 2029, Social Security would once again be solvent for our senior citizens.

□ 1600

As we look at this picture, then, I think it is reasonable to ask, we have got this balanced budget, at least on balance by the definition that has been used by the government over the last 30 years, where are we at and where are we going as a Nation in the future?

I think the first thing we need to recognize and do to solve the Social Security problem is our bill, H.R. 857, the Social Security Preservation Act. But there are other problems still facing our country.

One of the problems as I see it is taxes are too high. I have been having

fun with this in Wisconsin. I ask the question repeatedly, "Is there anyone in the room who thinks taxes are too low?" To their credit, no one has raised their hand and said, "Yes, I think taxes are too low. Raise taxes, please."

So I think when we look at the problems that are still facing us as a Nation, taxes are too high, the Social Security Trust Fund needs to be restored, and we still have that \$5.5 trillion debt hanging out there over our heads. To solve these problems we have introduced a second piece of legislation. It is called the National Debt Repayment Act.

As it relates to Social Security, let us remember that even if we start putting away the cash from this year, we still have this \$700 billion that is supposed to be in this, counted already, that is IOUs. So when we start talking about this \$5.5 trillion debt, part of it is that money that has been taken out of Social Security over the last 15 to 20 years.

In the National Debt Repayment Act, what we do is look at any surpluses coming into the United States Government. We allocate two-thirds of those surpluses to debt repayment, specifically restoring the Social Security Trust Fund. So two-thirds of it goes to debt repayment, including Social Security and prioritizing Social Security. The other one-third is dedicated to reducing taxes on working families all across America.

We are here in the present now, we have our first balanced budget in nearly 30 years. As we look down the road and think about these problems that are still staring us in the face, a \$5.5 trillion debt, the Social Security Trust Fund, taxes are too high, it seems to me to make sense that what we do is dedicate two-thirds of our surpluses to debt repayment, prioritizing Social Security, so we pay off the Social Security notes, that is \$700 billion that belongs there, and we dedicate the other one-third to the tax rate.

Let me just say on the tax rate, because I think this is very important, today we have a 37 percent tax burden on our working families. If you take all the taxes paid in in this country, take the State taxes, the property taxes, the local taxes, the sales taxes and the government taxes, Washington government taxes, the tax burden on our families today is 37 percent. Back in 1955 it was about 25 percent.

The outcome of that is seen all through our society. Because the tax rates are so much higher than they used to be, we find that our families that would like to make decisions to allow one parent to stay at home or one of the spouses to stay at home and raise the children are forced into the workplace because the tax rate is so high, and they wind up actually working just to pay more taxes. I understand that in a lot of families both spouses want to work for whatever reason. They may want to work because they want a better life-style, and that

is fine. But what is wrong with that picture is that when they start doing it simply so they can pay the extra tax burden so the government can get bigger and bigger and bigger, that is what is wrong with the picture.

As we look ahead to the future, the concept of reducing the tax burden, as I know Speaker GINGRICH has called for, from the 37 percent back to a 25 percent, I would like to again lay this out as part of our vision for the future as we look forward in this country. Would it not be great if we could get to a point where the tax burden on families was again reduced to 25 percent or maybe even lower? Would it not be great if we could have a one-third reduction in the tax burden?

What we are really saying here is that in the future the government might do less and we might leave more money in the pockets of people, and then if the people still want some of those extra services, they can make the decision that with the extra money in their pocket, they go out and buy it. But the concept is that government is less involved in the lives of the American people and the people get to keep more of the money that they have earned.

I might add that that is just one of the problems that we face here in Washington. It seems to me sometimes we forget that the money we are talking about out here, it is not our money here in Washington. That money belongs to the hardworking Americans who have earned that money, and it ought to be treated in that way and with that respect.

I would like to just address a little bit more on the tax cut package that has already been passed. I know I am kind of jumping out of this vision for the future and back into the present, but I would like to do this because I find in Wisconsin that when I talk with folks, a lot of them do not understand that a tax bill has been passed. I would just like to run through just a few of the provisions that are in this tax cut package because folks generally do not understand that this bill is already passed.

What happens, I find when I am there, is they kind of look at me almost as a politician, and that scares me because I am a home builder and a math teacher and not a politician. They start looking like, "You are making us these promises, but are you really going to do any of this?"

The fact is the tax cut package is passed into law, it is done, it is on the books and it should be reflected in your current taxable income. Let me just start with the \$400 per child tax credit. I described this briefly before. Starting this year, for every child under the age of 17 with certain income limits, for moderate-income Americans, for every child under the age of 17, when you figure out your taxes next year and you get down to the bottom line, how much you would have sent to the United States Government, you subtract \$400 off the bottom line.

If you have got a college student, a freshman or a sophomore, again you figure out how much you would have sent to Washington, but if that freshman or sophomore has spent more than \$2,000 on room, board, books and tuition, you subtract \$1,500 off the bottom line. For juniors, seniors, grad students, et cetera, you subtract \$1,000 or up to \$1,000 off the bottom line.

For homeowners in America, and this is a very dramatic change in the Tax Code, if you have lived in your house for 2 years or more and you sell it, there are no Federal taxes due. When we think about our senior citizens and the benefit to our senior citizens of this Tax Code change, it is very, very dramatic.

Many seniors took the old one-time 55 exclusion, sold the bigger home that they raised their children in, bought a smaller home and are now ready for whatever reason to go to some sort of different home, either a nursing home or some sort of skilled care facility. They are now selling this home, and they took that one-time exclusion back when they were 55 and there would be a gain, at least I hope there is a gain on the house they have owned in the interim period. There are no longer any Federal taxes due on the sale of that home.

Medicare, another dramatic change under the Tax Code and the revisions that were written last year for senior citizens. When I took office in 1995, Medicare was headed to bankruptcy. The fix for Medicare in the past was always to go out to the American people and raise taxes. Our government in their wisdom was treating senior citizens in exactly the wrong way in solving the problem of Medicare by simply throwing more money at it. What we needed to do is what has been done in the last 3 years: sit down, look at the situation and see if there was not maybe a better way to do the same thing.

Let me give one example of how this improvement took place. Diabetes is a major problem for seniors. What the government did in their wisdom is, they waited until some sort of a complication developed in diabetes. They would not pay for screening. What they did is waited until something dramatic happened to a senior, whether it was a heart problem or an amputation or eye problems or any of the other negative outcomes from diabetes. Many of these things were treatable if they were caught earlier.

What the government was doing in Medicare was saying, we are not going to pay for screening diabetes that is destroying your life, but if you get good and sick and you need a good and expensive procedure, then we will help you pay for it through Medicare. It is not only the right thing to do for the health and the well-being of our senior citizens, to do the advanced screening, it is also much more cost effective to find the problem early and treat it early so the senior citizen can live a

healthier life. Of course that eliminates the high cost burden on the Medicare system.

So instead of just throwing more money at Medicare and leaving the system the way it was, we looked at what was going on and looked for better ways to spend the same money that was being spent. In the diabetes situation alone they are saying as much as \$14 billion a year will be saved, and again, let us not transform this into Medicare cuts. By providing our seniors with the opportunity to live a healthier life by this advanced screening for diabetes alone, we are talking about a \$14 billion a year change in the cost of Medicare to the United States Government.

That is not all, though. There are also things like screening for breast cancer, colon cancer, a wide variety of other preventive care was very similar to what I just described with diabetes. That was changed in Medicare. Rather than just looking at Medicare and saying, okay, we are going to raise taxes on the people and throw more money at Medicare, we looked at how the same dollars could be spent in a better manner. That is very, very different than the people that were here in control in the past. It is a very different model for solving solutions as we go forward.

The other dramatic change in Medicare is, in the past the United States Government in their wisdom said we here in Washington know what is best for all our senior citizens, so we are going to develop this plan called Medicare and our seniors get the plan, like it or not. What has happened in Medicare is that now if our seniors do not like the government-run plan, they have the opportunity to take the same money the government was spending on their behalf in the government plan and use it to purchase private insurance of their choosing. We not only revise the plan to make it much more effective providing preventive care to seniors, we also put what type of insurance and what type of medical coverage they would like back in their hands where it belongs.

I think what it says is really a statement of respect that we have for the senior citizens in the United States. Many of these senior citizens are the same people that fought in World War II, that preserved this country and got it to where it is today, and those people deserve to be treated with that respect.

While I am on Medicare, and it does not directly relate to the changes of last year, there are a lot of nasty rumors going on out there about what has happened in Medicare: that if a citizen, for example, would like a second mammogram in a year, and Medicare says you only can have one that is covered but a citizen would like a second one, there is a lot of rumors going around out there that if a citizen wants to buy additional coverage for some procedure that is not covered under

Medicare, that somehow if the doctor provides that coverage and charges the patient, that the doctor is kicked out of the Medicare program for 2 years.

Let me just say definitively that that is absolutely not true. There are a lot of different groups putting this information out. It is absolutely not true.

Let me give this in a specific example. Let us just say someone had a mammogram, and for whatever reason 3 months later they decided they would like a second one. Medicare says I am not going to cover the second mammogram. And the patient says, well, I want it done anyway and I will pay the doctor for doing it, and the doctor says, okay, I will do it. That is perfectly legal. It is permitted. There are no repercussions back against the doctor. The doctor makes that decision to do it if the patient decides they would like to pay for it outside of Medicare.

So specifically on things that are not covered under the Medicare program, if a doctor provides those services, there are absolutely no ramifications back against the doctor. I just mention that as it relates to Medicare because we have heard so many different stories when I have been out there in public.

So I am going back now to the Tax Code change and just a few other details in it. One other one that is very important to me, I had mentioned capital gains before but I did not mention the adoption tax credit. I think this really says something about where we are going as a Nation.

I have got a lot of charts and graphs here, and they talk about numbers, and they are showing lines and different things that happened, but that is not really what this government is about. This government is about people. It is about values. It is about where we are going as a Nation, what kind of a country we are going to have. It is about how much government is going to be involved. I think when we look at that, we need to understand that the government does, in fact, have a heart, and that we understand that there are tough situations out there in a lot of places in this country.

We also should understand that when we changed this Tax Code, we looked at the possibility of adoptions in this country. What we found is that to have an adoption in America it costs roughly \$10,000. So if we have got a middle-income family, say they are earning \$40,000 or \$50,000 a year, and for whatever reason that family finds out they cannot have their own children, \$10,000 might have been insurmountable in terms of adopting a child.

So what we did in the Tax Code is we changed the Tax Code. There is now a \$5,000 tax credit to assist that middle-income family with the process of adoption and paying the bills that are involved in the adoption.

So this Tax Code change, it is not all about numbers, and it is not all about these charts I have here. There is a large degree of feeling involved in these. And we recognize that things

like the \$400 per child, leaving that money in the family's home as opposed to having it out here in Washington, it is not just about numbers. It is about people. It is about the impact that this money in the family will have on these families.

Another example on the \$400 per child, I was in with a group of people who had many of their children enrolled in parochial schools. I talked to them about the potential of government providing them some sort of tax assistance for parochial schools. And right away, they reacted no, no, no, no, we do not want any government support for our school. Because they are afraid with government support come government rules and regulations that may not match up with what our parochial schools are teaching, my own kids included that go to a parochial school.

So I explained to them how the \$400-per-child tax credit allowed them to make the decision on what they were going to use their own \$400 for. If they choose to use that \$400 to help pay tuition at a parochial school, well, so be it. That is money that would have been sent to Washington that is now in their home, and they can then choose to make the decision to send their kids to a parochial school if they so desire. But it is not Washington telling them what to do with the money, and it is not Washington telling their parochial school what to teach in their school, but, rather, it is now the parents in their own home making the decision as to how to spend their own money.

I would like to wrap up my time here on the floor today with kind of just a brief summary of some of the things we have talked about. We have looked at the past, and we have looked at how in the past we had a series of broken promises to balance the budget.

Before 1994, we had Gramm-Rudman-Hollings, the budget deal of 1990. We looked at how, in 1993, they reached the conclusion on how to solve this problem. Rather than control Washington spending, the conclusion was to reach into the pockets of American citizens. I know for all the people out there, it was not the first time. I know it was part of the 1990 deal. I know it was part of the 1993 deal. But I also know that every time they reached in the pockets and took more money out here to Washington, all it did was allow them to spend more out here in Washington, and that is not what the people wanted.

That path of broken promises of the balanced budget and the path of higher taxes, that is over. It ended in 1994 when the American people stepped up to the plate and said enough is enough, it is going to stop. They put a new group in charge out here in Washington.

We are now 3 years into that new group. The new group has brought us a balanced budget, not in 2002 as promised, but 4 years ahead of schedule. The announcement today, great news, CBO,

from the organization that watches budgeting out here: We are, in fact, running a surplus for fiscal year 1998. The first time since 1969, we are going to have a budget surplus.

□ 1615

Great news. Three years into this thing, we have done it by controlling the growth of Washington spending. We have been effective enough at slowing the growth rate of Washington spending, that we have not only gotten to a balanced budget 4 years ahead of schedule, we have been able to provide the American people with a tax cut.

When I say "we provide," shoot, it is the American people that earn that money. All we are doing out here in Washington is saying keep more of your own money. It is yours to start with, just do not send it out here to Washington. The present, the present has a balanced budget for the first time since 1969; The present, the present is lower taxes for the first time in 16 years; the present, the present is a restored Medicare, and done the right way, with feeling and understanding for our senior citizens.

The future. As we look forward to this, we have 3 major problems remaining. The first is we still have a \$5.5 trillion debt staring us in the face; the second is the Social Security money that needs to be put aside for Social Security; and the third is taxes are still too high.

So as we look down the road to the future in this great nation, the National Debt Repayment Act which we have introduced in our office, bill number H.R. 2191, takes two-thirds of any surpluses that develop and it uses it to pay off the debt. Prioritizing, repayment to the Social Security Trust Fund for our senior citizens.

The good news under this bill is that by the year 2026, and maybe sooner, we will have repaid the entire Federal debt that will restore the Social Security trust fund for our senior citizens and it will allow us as a generation to pass this country on to our children debt-free.

I can think of no higher goal that we might have in this government today than to work to a point where we repay the Federal debt so our children can inherit a Nation that is absolutely debt-free. In doing so, we also restore the Social Security trust fund for our seniors.

The other one-third of the surpluses that are developing, let us use those to lower taxes, and let us set our vision for the future that we get the tax rate from 37 back to 25 percent. Would it not be great if one-third of all taxes paid by all Americans at every level of government was reduced, and those American citizens could keep it in their own pocket to decide what they would like to do with it, whether it be to help their children, whether it be to put their kids through college, whether it be to provide their kids with a private school, if that is what they would

like to do, if they in their own wisdom think that is better for their children. But the bottom line is to leave that money in the hands of the people that earned it in the first place.

Would that not be a great vision for America? Paid off debts, so our children get a debt-free nation; a restored Social Security trust fund for our senior citizens; and lower taxes, a one-third reduction in the overall tax rate all across America?

Lest anybody think we cannot do it, I just remind the American people of what was said in 1995 when we were first elected. They said you cannot balance the budget and lower tax. Here we are, three years into it, four years ahead of schedule, with the budget balanced, taxes coming down and Medicare restored. It can be done, if it is the will of the people, and if the people get actively involved in making sure that this government does what they want this government to do.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5 p.m.

Accordingly (at 4 o'clock and 17 minutes p.m.), the House stood in recess until approximately 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LATHAM) at 5 p.m.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 217, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. LAZIO) that the House suspend the rules and pass the bill, H.R. 217, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were— yeas 386, nays 23, not voting 21, as follows:

[Roll No. 26]

YEAS—386

Abercrombie	Allen	Armey
Ackerman	Andrews	Bachus
Aderholt	Archer	Baesler

Baker	Fawell	Levin	Roybal-Allard	Snyder	Traficant
Baldacci	Fazio	Lewis (CA)	Sabo	Solomon	Turner
Ballenger	Filner	Lewis (GA)	Sanchez	Souder	Upton
Barcia	Foley	Lewis (KY)	Sanders	Spence	Velazquez
Barr	Forbes	Linder	Sandlin	Spratt	Vento
Barrett (NE)	Ford	Lipinski	Sanford	Stabenow	Visclosky
Barrett (WI)	Fossella	Livingston	Saxton	Stark	Walsh
Bartlett	Fowler	LoBiondo	Schaefer, Dan	Stearns	Waters
Barton	Fox	Lofgren	Schaffer, Bob	Stenholm	Watkins
Bass	Frank (MA)	Lowey	Schumer	Stokes	Watt (NC)
Bateman	Franks (NJ)	Lucas	Scott	Strickland	Watts (OK)
Becerra	Frelinghuysen	Maloney (NY)	Serrano	Stump	Waxman
Bentsen	Frost	Manton	Sessions	Stupak	Weldon (FL)
Bereuter	Furse	Markey	Shaw	Sununu	Weldon (PA)
Berman	Gallely	Martinez	Shays	Talent	Weller
Berry	Ganske	Mascara	Sherman	Tanner	Wexler
Bilbray	Gejdenson	Matsui	Shuster	Tauscher	Weygand
Bilirakis	Gekas	McCarthy (MO)	Sisisky	Tauzin	Whitfield
Bishop	Gephardt	McCarthy (NY)	Skaggs	Taylor (MS)	Wicker
Blagojevich	Gibbons	McCollum	Skeen	Taylor (NC)	Wise
Bliley	Gilchrest	McCrery	Skelton	Thomas	Wolf
Blunt	Gillmor	McDade	Slaughter	Thompson	Woolsey
Boehlert	Gilman	McDermott	Smith (MI)	Thornberry	Wynn
Boehner	Goode	McGovern	Smith (NJ)	Thune	Yates
Bonilla	Goodlatte	McHale	Smith (OR)	Thurman	Young (AK)
Bonior	Goodling	McHugh	Smith (TX)	Tiahrt	Young (FL)
Borski	Gordon	McIntyre	Smith, Adam	Tierney	
Boswell	Goss	McKeon	Snowbarger	Towns	
Boucher	Graham	McKinney			
Boyd	Granger	McNulty			
Brady	Green	Meehan			
Brown (CA)	Greenwood	Meek (FL)	Blumenauer	Diaz-Balart	Rivers
Brown (FL)	Gutierrez	Meeks (NY)	Cannon	Duncan	Royce
Brown (OH)	Hall (OH)	Menendez	Chenoweth	Hostettler	Ryun
Bryant	Hall (TX)	Metcalfe	Coble	Jones	Sawyer
Bunning	Hamilton	Mica	Cox	Manzullo	Sensenbrenner
Burr	Hansen	Millender-McDonald	Crane	McIntosh	Shadegg
Burton	Hastert	Miller (CA)	DeFazio	Miller (FL)	Wamp
Buyer	Hastings (FL)	Minge	DeLay	Paul	
Callahan	Hastings (WA)	Mink			
Calvert	Hayworth	Moakley	Christensen	Maloney (CT)	Salmon
Camp	Hefley	Mollohan	Doolittle	McInnis	Scarborough
Campbell	Herger	Moran (KS)	Gonzalez	Neal	Schiff
Canady	Hill	Moran (VA)	Gutknecht	Poshard	Shimkus
Cardin	Hilleary	Morella	Harman	Ros-Lehtinen	Smith, Linda
Carson	Hilliard	Murtha	Hefner	Roukema	Torres
Castle	Hinchee	Myrick	Luther	Rush	White
Chabot	Hinojosa	Nadler			
Chambliss	Hobson	Nethercutt			
Clay	Hoekstra	Neumann			
Clayton	Holden	Ney			
Clement	Hooley	Northup			
Clyburn	Horn	Norwood			
Coburn	Houghton	Nussle			
Collins	Hoyer	Oberstar			
Combest	Hulshof	Obey			
Condit	Hunter	Olver			
Conyers	Hutchinson	Ortiz			
Cook	Hyde	Owens			
Cooksey	Inglis	Oxley			
Costello	Istook	Packard			
Coyne	Jackson (IL)	Pallone			
Cramer	Jackson-Lee	Pappas			
Crapo	(TX)	Parker			
Cubin	Jefferson	Pascarell			
Cummings	Jenkins	Pastor			
Cunningham	John	Paxon			
Danner	Johnson (CT)	Payne			
Davis (FL)	Johnson (WI)	Pease			
Davis (IL)	Johnson, E. B.	Pelosi			
Davis (VA)	Johnson, Sam	Peterson (MN)			
Deal	Kanjorski	Peterson (PA)			
DeGette	Kaptur	Petri			
Delahunt	Kasich	Pickering			
DeLauro	Kelly	Pickett			
Deutsch	Kennedy (MA)	Pitts			
Dickey	Kennedy (RI)	Pombo			
Dicks	Kennelly	Pomeroy			
Dingell	Kildee	Porter			
Dixon	Kilpatrick	Portman			
Doggett	Kim	Price (NC)			
Dooley	Kind (WI)	Pryce (OH)			
Doyle	King (NY)	Quinn			
Dreier	Kingston	Radanovich			
Dunn	Kleczka	Rahall			
Edwards	Klink	Ramstad			
Ehlers	Klug	Rangel			
Ehrlich	Knollenberg	Redmond			
Emerson	Kolbe	Regula			
Engel	Kucinich	Reyes			
English	LaFalce	Riggs			
Ensign	LaHood	Riley			
Eshoo	Lampson	Rodriguez			
Etheridge	Lantos	Roemer			
Evans	Largent	Rogan			
Everett	Latham	Rogers			
Ewing	LaTourette	Rohrabacher			
Farr	Lazio	Rothman			
Fattah	Leach				

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT 1996 ANNUAL REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking and Financial Services:

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the 32nd Annual Report of the Department of Housing and Urban Development, which covers calendar year 1996.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 3, 1998.

INTERAGENCY ARCTIC RESEARCH POLICY COMMITTEE BIENNIAL REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science:

To the Congress of the United States:

As required by section 108(b) of Public Law 98-373 (15 U.S.C. 4107(b)), I transmit herewith the Seventh Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1996 to January 31, 1998).

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 3, 1998.

1998 NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on the Judiciary, Committee on Agriculture, Committee on Banking and Financial Services, Committee on Commerce, Committee on Education and the Workforce, Committee on Government Reform and Oversight, Committee on International Relations, Committee on National Security, Committee on Resources, Committee on Transportation and Infrastructure, Committee on Veterans' Affairs, and Committee on Ways and Means:

To the Congress of the United States:

On behalf of the American people, I am pleased to transmit the 1998 National Drug Control Strategy to the Congress. The 1998 Strategy reaffirms our bipartisan, enduring commitment to reduce drug use and its destructive consequences.

This year's Strategy builds upon the 1997 Strategy and is designed to reduce

NAYS—23

Blumenauer	Diaz-Balart	Rivers
Cannon	Duncan	Royce
Chenoweth	Hostettler	Ryun
Coble	Jones	Sawyer
Cox	Manzullo	Sensenbrenner
Crane	McIntosh	Shadegg
DeFazio	Miller (FL)	Wamp
DeLay	Paul	

NOT VOTING—21

Christensen	Maloney (CT)	Salmon
Doolittle	McInnis	Scarborough
Gonzalez	Neal	Schiff
Gutknecht	Poshard	Shimkus
Harman	Ros-Lehtinen	Smith, Linda
Hefner	Roukema	Torres
Luther	Rush	White

□ 1725

Mr. WAMP and Mr. MILLER of Florida changed their vote from "yea" to "nay."

Mr. WYNN changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GUTKNECHT. Mr. Speaker, due to illness, I was in Minnesota today and unable to vote on H.R. 217, the "Homeless Housing Programs Consolidation and Flexibility Act." Had I been present, I would have voted in support of H.R. 217.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2495

Mr. WATT of North Carolina. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2495, the Higher Education for the 21st Century Act.

The SPEAKER pro tempore (Mr. LATHAM). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

drug use and availability in America in half over the next 10 years—a historic new low. This plan has been developed under the leadership of General Barry McCaffrey, Director of National Drug Control Policy, in close consultation with the Congress, the more than 50 Federal agencies and departments involved in the fight against drugs, the dedicated men and women of law enforcement, and with stakeholders—mayors, doctors, clergy, civic leaders, parents, and young people—drawn from all segments of our society.

I am also proud to report that we have made real and substantial progress in carrying out the goals of the 1997 *Strategy*. Working with the Congress, we have begun the National Anti-Drug Youth Media Campaign. Now when our children turn on the television, surf the “net,” or listen to the radio, they can learn the plain truth about drugs: they are wrong, they put your future at risk, and they can kill you. I thank you for your vital support in bringing this important message to America’s young people.

Together, we enacted into law the Drug-Free Communities Act of 1997, which will help build and strengthen 14,000 community anti-drug coalitions and brought together civic groups—ranging from the Elks to the Girl Scouts and representing over 55 million Americans—to form a Civic Alliance, targeting youth drug use. By mobilizing people and empowering communities, we are defeating drugs through a child-by-child, street-by-street, and neighborhood-by-neighborhood approach.

We have also helped make our streets and communities safer by strengthening law enforcement. Through my Administration’s Community Oriented Police (COPs) program, we are helping put 100,000 more police officers in towns and cities across the Nation. We are taking deadly assault weapons out of the hands of drug dealers and gangs, making our streets safer for our families. We have taken steps to rid our prisons of drugs, as well as to break the vicious cycle of drugs and crime. These efforts are making a difference: violent crime in America has dropped dramatically for 5 years in a row.

Over the last year, the United States and Mexico reached agreement on a mutual *Threat Assessment* that defines the scope of the common threat we face; and, an *Alliance* that commits our great nations to defeating that threat. Soon, we will sign a bilateral *Strategy* that commits both nations to specific actions and performance benchmarks. Our work to enhance cooperation within the hemisphere and worldwide is already showing results. For example, Peruvian coca production has declined by roughly 40 percent over the last 2 years. In 1997, Mexican drug eradication rates reached record levels, and seizures increased nearly 50 percent over 1996.

We are making a difference. Drug use in America has declined by 50 percent over the last decade. For the first time in 6 years, studies show that youth

drug use is beginning to stabilize, and in some respects is even declining. And indications are that the methamphetamine and crack cocaine epidemics, which in recent years were sweeping the Nation, have begun to recede.

However, we must not confuse progress with ultimate success. Although youth drug use has started to decline, it remains unacceptably high.

More than ever, we must recommit ourselves to give parents the tools and support they need to teach children that drugs are dangerous and wrong. That is why we must improve the Safe and Drug-Free Schools program, and other after school initiatives that help keep our kids in school, off drugs, and out of trouble. We must hire 1,000 new border patrol agents and close the door on drugs at our borders. We must redouble our efforts with other nations to take the profits out of drug dealing and trafficking and break the sources of supply. And we must enact comprehensive bipartisan tobacco legislation that reduces youth smoking. These and other efforts are central elements of the 1998 *National Drug Control Strategy*.

With the help of the American public, and the ongoing support of the Congress, we can achieve these goals. In submitting this plan to you, I ask for your continued partnership in defeating drugs in America. Our children and this Nation deserve no less.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 3, 1998.

□ 1730

SPECIAL ORDERS

WETLANDS RESTORATION AND IMPROVEMENT ACT

The SPEAKER pro tempore (Mr. LATHAM). Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, I rise tonight to talk about our Nation’s wetlands and a bill I have introduced to protect and expand these national treasures. I represent a district in eastern North Carolina which includes a majority of the State’s coast and 4 major river basins. According to the Federal Government, 65 percent of the area can be classified as wetlands. Clearly wetlands are very important to me and to the citizens of my district.

Eastern North Carolina appreciates the beauty and value of wetlands as much if not more than anybody else. They understand the importance of wetlands to the environment, to water quality and to the life they support. Eastern North Carolinians also want to respect the rights of property owners, and therefore have reached for a balanced approach to protecting our wetlands while allowing landowners to have reasonable use of their properties.

Mr. Speaker, I strongly believe that the common sense solution we have sought is wetlands mitigation banking. Mitigation banking allows private

property owners to pay wetlands experts to mitigate the impact their development will have on wetlands. Those experts, working with regulators, do the mitigation in banks of land which are set aside, restored to wetland status and, most importantly, enhanced.

This concept has been embraced by regulators, developers and the conservation community. It is an improvement upon traditional mitigation, which simply is not working because it is too expensive, time consuming and ineffective. Approximately 90 percent of on-site mitigation is unsuccessful. Mitigation banking, on the other hand, creates complete ecosystems.

Regulators usually require that more wetlands be restored in a bank than are destroyed in a development project. For example, in some parts of the South that ratio is 4 to 1, meaning that 4 acres of land must be restored for each acre that was destroyed. So instead of only trying to protect the remaining wetlands with mitigation banking, we are actually increasing wetlands acreage. What is more, because mitigation banks give economic value to wetlands, potentially billions of private sector dollars could flow into restoring wetlands in sensitive watersheds.

Mitigation banking is already being implemented in several areas throughout our Nation. The problem is there is no statutory authority to guide mitigation bankers. Let me repeat that, Mr. Speaker: The problem is there is no statutory authority to guide mitigation bankers. Thus investors are hesitant to supply the money needed without legal certainty.

For this reason, I have introduced the Wetlands Restoration and Improvement Act, H.R. 1290. The legislation, one, requires the bank to meet rigorous financial and legal standards to ensure that wetlands are restored and preserved over the long term; secondly, provides for ample opportunity for meaningful public participation; and, third, ensures that the bank itself has a credible, long-term operation and maintenance plan.

This legislation is the common-sense, balanced approach America needs to protect both our valuable wetlands and the rights of property owners. I hope my colleagues, Mr. Speaker, in the House will look seriously at cosponsoring this legislation.

TOWARD A FAIRER, FLATTER AND SIMPLER TAX SYSTEM

The SPEAKER pro tempore (Mr. TIAHRT). Under a previous order of the House, the gentleman from California (Mr. RIGGS) is recognized for 5 minutes.

Mr. RIGGS. Mr. Speaker, the President is defending the indefensible. President Clinton yesterday described congressional Republican efforts to overhaul the Tax Code and to change

our tax system into one that is more pro-family, one that encourages investment and savings, and one that moves the country in the direction of a fairer, flatter, simpler Tax Code, a fairer, flatter, simpler alternative to the system we have today, he described those plans now pending in Congress as reckless in remarks that the President made yesterday here in Washington to the National Mortgage Bankers Association. In fact, the President went on to say that our approach of phasing out the current income tax system and replacing the current 9,000 page, 5.5 million word Tax Code with a fairer, flatter, simpler alternative, he described that approach yesterday as "misguided, reckless and irresponsible."

I read this entire article, and I have searched his remarks trying to find out what the President would propose. If he does not like our alternative, then what would the President counter with? What would he propose as a better alternative to our plans? Or is the President, as it would appear from his remarks, defending the current Tax Code and the current tax system?

It would appear that the President does favor the status quo, that he is, as I said in my opening comments, defending the indefensible. He cannot possibly think that a system that has created, and this has now been well documented in hearings that we have had back here in Washington, a culture of abuse that has led to many collection abuses around the country, he cannot possibly be defending that system, could he? It is a system that has resulted in one newspaper headline after another.

I cited these earlier this morning on the floor under morning business, but since more of our colleagues are present now, I want to share these headlines again. Here is one: The IRS Unveils New Taxpayer Protections to Limit Agents' Ability to Seize Assets. It actually quotes in this article the new Commissioner of the IRS as saying, quote, I am especially troubled about the emphasis placed on collection statistics, otherwise known as quotas, without an equal emphasis on customer service and safeguarding taxpayer rights.

Look at some of these other newspaper headlines: New Audit at IRS Finds Some Agents Focused on Quotas. We are talking about many, many agents in IRS offices around the country. Treasury Chief Vows Action against IRS Quotas. Top Official Offers a Mea Culpa. That is an apology, I guess, for the IRS, for the collection abuses and for a system again that targets individual American taxpayers and sets out quotas, if one can imagine, for IRS collection agents.

We are trying desperately to reform the IRS, as I said earlier today, into an agency that treats taxpayers with the respect and provides them with the service that they deserve. But, instead, the President is throwing up roadblocks in our way, defending the inde-

fensible, standing up for the current system, and using scare tactics to frighten the American people about what would happen if we move the country in the direction of a fairer, flatter, and simpler tax system.

Now we are attempting to initiate a national discussion about either replacing the current income tax with a national sales tax, a tax on consumption, or a flat tax. We believe that is the way to go. Both of these plans would be simpler and fairer than the current code, the system that the President is defending.

I will tell you, I personally object when the President uses language like reckless, misguided, and irrelevant. I will tell you, I will tell the President, I will tell my colleagues who support the President's position on this what Jack Farris said, the President of the National Federation of Independent Business, an organization of small businesses around the country trying to garner one million signatures on a pledge to replace the current tax system and scrap the Tax Code, which would end the IRS as we know it. It is a death sentence for the current Tax Code by the year 2001. Mr. Farris said, in response to the President, what is irrelevant is a 500-million-word Tax Code that is antiwork, antisaving, and antifamily.

One of our former colleagues, now Senator TIM HUTCHINSON from Arkansas, was quoted as saying yesterday, with less than 6 weeks left before Americans must file their tax returns, President Clinton has shown himself to be out of touch with the plight of the American people.

Mr. Speaker, we definitely need to move the country in a direction of a Tax Code and tax system that would change the current disincentive in the system that favors spending and consumption over savings and investment. This comment, this approach of the President of disparaging the free enterprise system is not going to work. We need to revive our Tax Code in order to move the country in a direction of a fairer, simpler system and to maintain our national prosperity.

ENGEL SLAMS BELGRADE'S BLOODY CRACKDOWN IN KOSOVA; CALLS FOR UNITED STATES TO STOP IGNORING THE SITUATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, just yesterday there was a brutal crackdown in a region called Kosova, which is home to more than 2,000 ethnic Albanians who live under the oppression of Serb tyranny. The Serbian police came in and summarily started beating and killing ethnic Albanians, more than 20 of whom were murdered in cold blood.

The region of Kosova, which is 90 percent Albanian, I have been there a

number of times as chairman of the Albanian Interest Caucus of this House. The people there are truly a people living under oppression. They have no political rights. They have no human rights. They have no economic rights. Unemployment is unbelievable. Day after day after day turns into months; and year after year, there is no improvement on the ground.

The United States cannot, Mr. Speaker, stand idly by and allow Serbian President Milosevic and his henchmen to brutally kill people for no reason. This oppression must stop, and the United States is the only country that has the power to stop it.

I have been calling for a number of years for the appointment of a special envoy from the United States to the region of Kosova. Only if the United States gets involved with the appointment of a special envoy do I believe that progress will be made on the ground in Kosova. This would be very similar to what we have attempted to do in Ireland with Senator Mitchell. And we ought to forthwith appoint a special envoy.

My resolution, H.Con.Res. 205, calls for the appointment of a special envoy and calls for sanctions, strong sanctions to be continued on Serbia until there is improvement in the economic and political and human freedoms in Kosova.

Just last week, Mr. Speaker, our government loosened some of the sanctions imposed on Serbia. It sent the wrong message at the wrong time, and I am sure unwittingly contributed to Mr. Milosevic and his henchmen thinking that they can brutally crack down on the Albanians in Kosova.

It is time now to reimpose those sanctions that we removed just last week. It is time to have new sanctions. It is time to make sure that the outer wall of sanctions is in place, continues to be in place and continues to be expanded, because Serbia cannot practice this kind of oppression and think they can get away with it.

Now in 3 weeks the Albanians in Kosova are scheduled to hold elections. And, again, Mr. Speaker, there is no coincidence that these crackdowns came 3 weeks before the Albanian elections are to be held. This is clearly a blatant attempt to intimidate the Albanians, to try to prevent them from exercising the political freedoms that all of us say that we hold dear.

□ 1745

I have often said that the people of Kosova, 90 percent of whom are ethnic Albanians, have the same right to self-determination that all peoples of the world have; no more, but certainly no less. And they have a right to determine their political future, they have a right to determine their economic future, they have a right to determine all of their future, and they do not have the right to be people under occupation, oppressively, brutally occupied and beaten by the Serb authorities.

This is not simply an internal problem in Serbia; this is a human rights problem. The autonomous region of Kosova, in my opinion and the opinion of anybody who likes freedom, has to understand that this region, the people living in the region, should be the sole determining factor in terms of their political future. They should decide their own political future.

Now, both President Bush and President Clinton had issued a Christmas warning saying that the United States would draw the line and would not stand idly by with a brutal crackdown in Kosova. My big fear is that this is the start of a crackdown, and we know what Serb nationalism can do. We saw what it did in Bosnia.

Bosnia could seem like a tea party compared to what could happen in Kosova if the world community and the United States and the European nations do not get involved right now. With 2 million ethnic Albanians, some people would like nothing better to do than to drive a million of them over the border into Albania, and perhaps massacre another million. We cannot stand idly by and allow this to happen.

Only the United States, again, has the power and clout to say to Milosevic and his henchmen, we will not allow you to brutally oppress the people of Kosova, the ethnic Albanians in Kosova. They are entitled to all kinds of rights and freedoms that we treasure here in the United States.

What kind of life is it for people that have no hope of getting employed? What hope is it of people, what kind of life can they expect, if there are no political freedoms, if they cannot get a job, if they cannot teach in the Albanian language, if the schools are oppressed?

There have been peaceful demonstrations going on and going on, and these people have been clubbed and beaten brutally. We cannot allow this to happen. We cannot send a message and say that because things are a little better in Bosnia, now is the time to forget about Kosova.

Mr. Speaker, we must reimpose the sanctions, we must have a special envoy, and we must unequivocally call for freedom for the Albanian people in Kosova.

TAX CODE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. Thune) is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, yesterday the President came out and criticized a piece of legislation of which I am a co-sponsor of that would call for sunseting the Tax Code in the year 2001. Frankly, I think when he came out and did that, he really did defend the indefensible.

We have a Tax Code in this country which has become an abomination for the people who have to comply with that law, from individuals, to families

to small businesses. Look at where we are today in terms of the volumes of information, the volumes of instructions, the volumes of actual forms of tax law that are out there, the laws and regulations, some 6,000 pages, 34.5 pounds. We spend in this country over 5 billion man-hours a year complying with the Tax Code. There are 480 different forms.

As I went through my tax return this year, I did it a couple of weeks ago, the thing that occurred to me is that the people of this country, even though we lowered taxes last summer in the balanced budget agreement, the people of this country have an even more difficult job this year of complying with the Tax Code than they did last year, because every time Congress touches the Tax Code, we make it more complicated.

I went through those forms. In the back of one particular form there is this elaborate computation and elaborate calculation in which it asks you if this is smaller than this or lesser than this but larger than this, multiply it by 15 percent and subtract it from here and keep going, and on and on and on.

We have a responsibility to the tax-paying people of this country to make the revenue system, the collection system, in this country fair, and to make it simple. So when we talk about eliminating the Tax Code and coming up with a new Tax Code for a new century, that ought to be a goal that all of us in this chamber share, and I would hope that the White House shares it as well.

When the President made his statement yesterday critical of this particular piece of legislation, it indicated he is willing to defend the status quo and willing to go along with what has been the program here for too many years in Washington, D.C.

I think that if we are going in fact to reform the Tax Code in this country, that it really starts with a couple of principles, and I think the first one has to do with the fact that if we are going to this year go about the process of writing a tax bill, that the first thing we ought to have is a principle that it ought to be broad-based.

So we have introduced legislation, I along with the gentlewoman from Washington (Ms. DUNN), that in fact would deliver tax relief to the extent we are able to do that this year in a way that is broad-based, in which all people benefit from a growing economy.

We have also introduced legislation that would further simplify, rather than complicate, the Tax Code. That is something, as I said, that is desperately needed. We need to move in that direction in the next century, so we can have a new Tax Code for a new century.

So having said that, and having noted that there is a lot of internal resistance in this particular city to changing the Tax Code, I take some consolation in the fact that the same resistance was there when it came to

welfare reform a few years back, and when it came to a balanced budget agreement.

People said all of these things could not be done. And what had to be done in order for Congress to get to that goal is to establish a deadline, to create a deadline out there, to say this is what we are going to do on this date.

The only way we can do that, with the Tax Code is to create a similar deadline, and that is to say to the people of this country that we are going to do away with the existing code and that we are going to start over, with a new Tax Code that makes sense to the people who have to pay the taxes in this country.

So as we pursue this legislation, sunseting the Internal Revenue Code in the year 2001, I think that it ought to be something that everybody in this body can support, because certainly the people in this country are willing to support that. We cannot continue to go on defending the status quo and allowing all the resistance to change that is in this Washington-based community to keep us from doing the right thing for the people of this country.

As I said earlier, as we move towards that goal, to the extent this year we are able to accomplish anything meaningful in terms of tax relief for the American public, that we ought to do it in a way, one, that is broad case based, and one that will further simplify and not complicate the Tax Code.

We have introduced legislation, the first piece of which would drop more people out of the higher 28 percent bracket into the lower 15 percent bracket. That is to say to the people of this country that we want to encourage you to work harder to improve your lot in life, to earn more. In saying that, we are not going to, as a matter of policy, take from you 28 cents of each additional dollar that you earn.

In fact, our legislation which raises the income threshold at which the 28 percent rate would apply actually drops 10 million filers in this country out of the higher 28 percent bracket and into the lower 15 percent bracket. In all, 29 million filers in America would benefit from this tax relief to the tune of about \$1,200 per filer. That is real relief for the people, the hard working taxpayers in this country.

Whether the issue is health care, child care, retirement or education, this enables the people of this country to make the decision in the fundamental way about what is the best way to meet those needs. They can take those dollars that they would save in the form of lower taxes and apply that toward child care needs, towards education needs, toward health care needs.

That is a matter of philosophy, something we very much agree with, and that is that the people of this country ought to be trusted to make that decision on their own, rather than having the bureaucracy in Washington direct targeted tax relief and say you are a winner or loser based upon whether or

not you behave in a certain way. That is the philosophy embodied in this tax relief bill.

The second bill is similar in that it raises the personal exemption for each filer in this country. To the extent you have additional dependents, it raises that exemption from \$2,700 to \$3,400, thereby reducing the taxable income to families in this country.

Again, it does it in an across-the-board way and moves us closer to the goal of simplification, so the ultimate goal of a new Tax Code for a new century can be met. I believe that, again, is ultimately where we ought to be heading.

So to the extent we do anything in the next couple of years as we have this debate about tax reform, to lower the tax burden on American people in this country, it ought to be with an eye toward the actual ultimate goal of a new Tax Code for a new century. I support the legislation of the gentleman from Oklahoma (Mr. LARGENT), who is on the floor, to sunset the existing tax code, and I look forward to working with him to see that that becomes the law of the land, irrespective of the footdragging that is happening on the other end of Pennsylvania Avenue.

TAX CODE TERMINATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. LARGENT) is recognized for 5 minutes.

Mr. LARGENT. Mr. Speaker, I would like to take a few minutes to address some of the comments and concerns that the President made yesterday at a speech when he was talking about the Tax Code Termination Act.

This is a bill that myself and the gentleman from New York (Mr. PAXON) have introduced in the House, H.R. 3097, that simply does this: It sunsets the current Tax Code in the year 2001, December 31. It establishes a date certain that we sunset the entire Tax Code with the exception of the payroll deduction taxes on Social Security and Medicare.

The President in his comment said that it would be irresponsible to sunset the Tax Code, that it would create an environment that would be uncertain and not predictable, and that it would have grave consequences on our economy.

Let me just say, Mr. Speaker, that what is irresponsible is to continue to leave intact the Tax Code as we know it today, a Tax Code that literally is punitive, confusing, confounding. Even the experts do not understand; even the people that are paid to administer the current Tax Code do not understand it.

Recent statistics show that the IRS, you call and ask a question about your individual tax return, 47 percent of the time the Internal Revenue Service gives you the wrong answer. The problem is when you go to court, they take you to Tax Court because you have submitted the wrong answer, you are

guilty, even though you got the wrong answer from the Internal Revenue Service.

The current code drains \$200 billion a year from the U.S. economy. That is how much it costs to file all individual and business tax returns in the United States, over \$200 billion.

5.3 billion hours it takes from American businesses and individual taxpayers to file their tax return, 5.3 billion hours consumed by trying to meet the Tax Code.

Let me just say I believe it is un-American and even immoral to have a Tax Code that punishes taxpayers, punishes businesses, and basically shouts at them, guilty, guilty, guilty. Not innocent. That is what our current Tax Code does.

Let me just throw up a couple of charts for illustration purposes to highlight the problem. This first chart shows the number of words first in the Declaration of Independence, 1,300 words in the Declaration of Independence, the words that define the moral vision of our national government, 1,300 words in the Declaration of Independence.

□ 1800

In the Bible, the holy Bible, the word of God, 773,000 words in the Bible. But take the IRS tax code and all of the case law that supports the tax code, 2.8 million words in the IRS tax code, and the case law to support the IRS tax code. That is wrong. We can do better.

The next chart, I think, highlights why we need to sunset the current tax code. Right here, what you see is two lines rising precipitously since 1964. The orange line you see is the words in the U.S. tax code. The actual code itself contains 800,000 words. From 1964 it quadrupled to 1993 from 200,000 to 800,000.

Members will notice that the number of lobbyists in Washington, D.C. also went from just over 10,000 to 70,000 in that same period of time. The beauty of the tax code Termination Act is this: that we have a national election for the next President in the year 2000. The tax code will be sunset 1 year after that election. So what we will end up having is, if the tax code Termination Act is passed, essentially a national referendum on replacing the tax code.

You have three candidates, A, B, C, from parties A, B, and C. You are a taxpayer and you go to hear them speak, or they are debating. The first question you are going to ask if this bill is passed, the tax code Termination Act, is, "Sir, if I vote for you for President, what will the tax code look like once you become President, 1 year after you take office?"

So we will have a national referendum on flat tax, national sales tax, the gentleman from Missouri (Mr. GEPHARDT's) modified flat tax, and every other variety therein. We will engage 265 million Americans in a debate at a national level on how we should replace the tax code, not the 70,000 lobbyists in Washington, D.C.

Mr. Speaker, I will finish by saying that we need to encourage all Members of the House and the Senate to cosponsor the tax code Termination Act and see the death to this tax code. It is not too soon and hopefully it is not too late.

PAYING HONOR TO THE PEACE CORPS AND ITS VOLUNTEERS ON ITS 37TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SHAYS) is recognized for 5 minutes.

Mr. SHAYS. Mr. Speaker, this is one of the first 5 minutes I have done in a very long time. I do so because I want to pay honor to the Peace Corps and to the volunteers who have served.

Today is the 37th anniversary of the founding of the Peace Corps by President Kennedy in 1961, as well as the first annual Peace Corps Day.

In my judgment, the Peace Corps is not a Democrat program, not a Republican program, it is a program that is bipartisan. It is a program that has served not only our country with distinction, but also the many countries that we serve. And speaking as a former Peace Corps volunteer, I know we also get so much out of this enriching, cross-cultural experience.

Mr. Speaker, the bottom line is, the Peace Corps has done an extraordinary job, through its volunteers, in bettering the lives of people throughout this world, from providing safe drinking water to helping new businesses start up, from dealing with health care issues to establishing agricultural programs and fishery programs. I also want to commend the tremendous number of volunteers who were teachers and taught in schools throughout the world.

I would like to, as well, pay my respects to the Peace Corps volunteers who happened to serve in Fiji, where I served from 1968 to 1970, who now have completed their task. We have been in Fiji for 30 years, and this past August we bid farewell to our years of service in that beautiful country. The Peace Corps has finished its responsibilities in Fiji.

On August 22, the Deputy Prime Minister and Minister for Education and Technology, Taufa Vakatale, addressed the Peace Corps volunteers who were there and thanked them for their service. Mark Gearan, the director of the Peace Corps, was there as well. I would like to just read a portion of her comments to the volunteers in the closing ceremonies in Fiji.

She said:

The Peace Corps volunteers gave the local people in a new insight into the English language, with the variety of accents, pronunciation and spelling; they gave a new perception of what the white people or Europeans are really like. We learned they are down-to-earth ordinary people—not a class above locals.

She goes on to say:

The presence of the American Peace Corps volunteers in Fiji has made us in Fiji more aware of the importance of giving something back to society rather than expecting something from society. The fact that the volunteers have come from afar to give of themselves to a society they owe nothing to have made us realize that we are all a part of a global village. Thank you, Peace Corps, for that valuable lesson in the giving of oneself for the advancement of peace in this global community.

We, the people of Fiji, cannot be disheartened by this departure, for were it simply a matter of choice, we the people and the government of Fiji, would always prefer to maintain our personal and close relationship with the Peace Corps. We also sincerely believe that if it weren't for existing circumstances, this longing would be reciprocated by the government and people of the United States of America.

Then she concludes:

To all those Peace Corps volunteers presently serving or who have graced our tropical islands in the past, words simply cannot express the gratitude our people and government would like to extend to you all, especially your having given up a specific time in your lives to spend with us. In retrospect, I can only try and fathom the sense of your leaving behind your land of skyscrapers, freeways and mega-entertainment to come down to a country such as ours with its basic facilities, unfamiliarity, food and inclement weather.

Nevertheless, I can only be grateful for your courage and service towards humanity, for in your caring and hope for a more humane world, you have been great ambassadors of your great nation.

Mr. Speaker, I include for the RECORD the entire statement of the Deputy Prime Minister, and once again congratulate the Peace Corps, congratulate the volunteers who served, and congratulate our country for having the foresight, and a former President, President Kennedy, for establishing the Peace Corps.

The remarks of the Honorable Taufa Vakatale are as follows:

Honorable Christopher Shays, Peace Corps Director Mark Gearan, Excellencies, Ladies and Gentlemen: It is with great pleasure that I welcome you all here tonight on behalf of the government and people of Fiji to farewell from our shores of the United States Peace Corps. Pleasure, of course, not in the Corps' departure, but in your attendance here tonight to share in this rather small gesture of appreciation towards the endurance, grace, self-sacrifice, and unwavering determination the young women and men of the Peace Corps volunteers, brought with them to our islands, and have shared with us over the last 30 years.

The contribution of the Peace Corps towards the socio-economic development of the country, among others in the immediate region, does not need any elaboration other than the fact that the cross-cultural exchanges since have further enriched our already diverse society. When the Peace Corps volunteers first came to Fiji, they were used mainly in teaching in the rural areas. The majority went out to remote rural primacy schools where they lived in thatched bures with no electricity, piped water and other basic facilities. They mingled with the villagers and spoke the language, ate the local food and generally participated in all the communal activities such as fish-drives, Mekes, church services, etc.

The Peace Corps volunteers gave the local people a new insight into the English lan-

guage, with the variety of accents, pronunciations and spelling; they gave a new perception of what the white people or Europeans are really like. We learned that they are down-to-earth ordinary people—not a class above locals.

Many Peace Corps volunteers, over the years, have taken part in ceremonial Mekes, one performed with the people of Cakaudrove for Queen Elizabeth II's visit in the early 70's. One notable Peace Corps volunteer was renowned for making wine from local fruit, another helped to establish a museum collection of local artifacts, etc. in a school. Another volunteer who was a teacher in an outlying island helped the islanders to develop a cheap and effective Copra drier. Yet another, Alipate of Koro, turned to music and sang many Fijian songs which have been taped and sold locally. I could go on and on, but suffice it say that they have endeared themselves to the people of Fiji.

While Peace Corps volunteers have given their services in all areas of government, let me just highlight the Corps' contribution to education. In the early days the volunteers were posted to rural schools to help in the teaching of English and Math. We soon found, however, that we were wasting valuable resources and that this was not how we could use them efficiently. Hence they were posted to secondary schools to upgrade and assist in the teaching of math and science and at one stage, in the teaching of economics and accounting. We have not yet produced enough local teachers to replace the volunteers who were especially good in physics, chemistry and math, and my Ministry will certainly feel the gap left by the volunteers when they leave.

The presence of the American Peace Corps volunteers in Fiji has made us in Fiji more aware of the importance of giving something back to society rather than expecting something from society. The fact that the volunteers have come from afar to give of themselves to a society they owe nothing to have made us realize that we are all a part of a global village. Thank you Peace Corps for that valuable lesson in the giving of oneself for the advancement of peace in this global community.

The departure of the Peace Corps exemplifies one of the significant developments now taking place in our global community and which we developing countries will have to address immediately and effectively. That of diminishing assistance from developed countries in the North due to a general shift in foreign policy following the end of the Cold War and as their respective citizens demand improved public services neglected or overlooked prior to 1991.

We, the people of Fiji, cannot be disheartened by this departure, for were it simply a matter of choice we the people and government of Fiji, would always prefer to maintain our personal and close relationship with the Peace Corps. We also sincerely believe that if it weren't for existing circumstances this longing would be reciprocated by the government and people of the United States of America.

To all those Peace Corps Volunteers presently serving or who have graced our tropical islands in the past, words simply cannot express the gratitude our people and government would like to extend to you all, especially your having given up a specific time in your lives to spend here with us. In retrospect, I can only try and fathom the sense of your leaving behind your land of skyscraper, freeway and mega-entertainment to come down to a country such as ours with its basic facilities, unfamiliarities, food and inclement weather.

Nevertheless, I can only be grateful for your courage and service towards humanity,

for in your caring and hope for a more humane world you have been great ambassadors of your great nation. Your contribution to our nation is substantial and is gratefully acknowledged. In appreciation of your 30 years of dedication and devotion toward the progress of our nation let me say, "Vinaka Vakalevu."

The words of Dr. Albert Schweitzer come to mind as I try to find words to thank the American Peace Corps volunteers: "I do not know what your destinies will be. But I know that those amongst you who will be the happiest are those who will have sought and found how to serve."

I know you have come to Fiji to be of service and you have found how to give that service effectively to Fiji. It is thus my hope and the hope of the people and government of Fiji that you have been happy.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 856, UNITED STATES-PUERTO RICO POLITICAL STATUS ACT

Mr. SOLOMON (during the special order of Mr. SHAYS), from the Committee on Rules, submitted a privileged report (Rept. No. 105-426) on the resolution (H. Res. 376) providing for consideration of the bill (H.R. 856) to provide a process leading to full self-government for Puerto Rico, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT AS PARTICIPANTS TO THE NATIONAL SUMMIT ON RETIREMENT SAVINGS

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of section 517(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131), the Chair announces the Speaker's appointment of the following participants on the part of the House to the National Summit on Retirement Savings.

Without objection, the names of participants will appear in the RECORD.

There was no objection.
Ms. Meredith Bagby, NY
Mr. James E. Bayne, TX
Mr. Carroll A. Campbell, Jr., SC
Ms. Joyce Campbell, Washington, D.C.

Ms. Hilda Cannon, GA
Mr. Christopher W. Clement, AZ
Mr. Benjamin Tanner Domenech, VA
Mr. Clinton A. Demetriou, GA
Mr. Pete du Pont, DE
Mr. Adam Dubitsky, Washington, D.C.

Ms. Lynn D. Dudley, Washington, D.C.

Mr. Ric Edelman, VA
Mr. John N. Erlenborn, MD
Ms. Shannon Evans, NV
Mr. Harris W. Fawell, IL
Mr. Peter J. Ferrara, VA
Mr. Ray Gaydos, Washington, D.C.
Mr. Craig Gholston, TX
Mr. Arthur Glatfelter, PA
Mr. Dylan Glenn, GA
Mr. James T. Gordon, GA
Mr. Brian H. Graff, VA
Mr. Matthew Greenwald, Washington, D.C.

Mr. Brent R. Harris, CA
 Mr. Donald K. Hill, GA
 Ms. Amy M. Holmes, Washington, D.C.
 Ms. Karen A. Jordan, AK
 Mr. John Kimpel, MA
 Mrs. Beth Kobliner, NY
 Mr. Gerald Letendre, NH
 Mr. Ronald Lyons, OH
 Mrs. Patricia De L. Marvil, VA
 Mr. Philip Matthews, CT
 Mr. Thomas J. McNerney, CT
 Mr. Kevin M. McRaith, MN
 Ms. Rita D. Metras, NY
 Ms. Lena Moore, Washington, D.C.
 Ms. Dana Muir, MI
 Ms. Heather Nauert, Washington, D.C.
 Mr. Jeffrey M. Pollock, NH
 Ms. Pati Robinson, WA
 Ms. Andrea Batista Schlesinger, NY
 Mr. Eugene Schweikert, SC
 Mr. Charles Schwab, CA
 Ms. Victoria L. Swaja, AZ
 Mr. Richard Thau, NY
 Ms. Sandra R. Turner, FL
 Mrs. Sunny Warren, GA
 Mr. Albert Zapanta, VA
 Mr. Roger Zion, IN

THE EFFECT OF NAFTA ON AMERICAN LIVES AND BUSINESSES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan (Mr. BONIOR) is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, 3 months ago, Congress and the White House were locked in a heated battle over fast track, a very contentious issue, debate which we think for now has been set aside and put off until another day.

In the meantime, we have a real opportunity, in the calm after the storm, where we can begin a very thoughtful discussion with the American people about our engagement in the global economy.

I am pleased this evening to be joined by two distinguished colleagues who, together with me and the gentleman from Georgia (Mr. JOHN LEWIS), the gentlewoman from Ohio (Ms. MARCY KAPTUR), the gentleman from Florida (Mr. ALAN BOYD) and the gentlewoman from Florida (Mrs. KAREN THURMAN), took a trip through Georgia and Florida to talk to people who were affected by our trade policies. I am joined this evening by the gentleman from Michigan (Mr. BART STUPAK) and the gentleman from Massachusetts (Mr. BILL DELAHUNT).

Several of us, as I said, during the President's Day recess, got on a bus and went 500 miles. We stopped in some of the great cities of the South. We stopped in Atlanta and Tallahassee. We passed through small towns and countless miles of rural countryside. We visited farms and factories and cattle ranches and auto plants. We drove down bumpy roads. We took a few wrong turns, like we took one very long wrong turn. We stayed in people's

homes along the way. We talked and we argued late into the night, and passed the time with folk songs and laughter. We had some very unforgettable experiences.

How many of us have had the chance to drive through rural Georgia, listening to the gentleman from Georgia (Mr. JOHN LEWIS) tell stories of the Freedom Rides which rolled through the same countryside in 1961, or tasted fried alligator tail served by the gentlewoman from Florida (Mrs. KAREN THURMAN) at a cattle ranch in someplace called Wacahoota, Florida, or followed the gentleman from Florida (Mr. ALAN BOYD) to the top of the Florida State Capitol building for a birds-eye view of Tallahassee?

But the most important thing that we did on our journey was to listen, listen to people, listen to how these policies had affected their lives. We saw some inspiring success stories, like the Ford Motor Plant in Hatfield, Georgia, which is just outside of Atlanta, where managers and workers have turned a unique partnership into one of the most successful auto plants in the world. They won the J.D. Power Award for Excellence.

We had a very good discussion that lasted over an hour with workers and managers all working together to make a good product, to make a quality product that pays good wages. We heard sad stories, too. We met with workers who lost their jobs at Lucent Technologies, a plant that closed 2 years ago and moved to Mexico.

This is a picture of our bus, with the gentleman from Massachusetts (Mr. BILL DELAHUNT), the gentleman from Georgia (Mr. JOHN LEWIS), and some of the workers. The gentleman from Michigan (Mr. BART STUPAK) is right here. Some of the workers who had lost their jobs are here.

I remember talking to one woman who was standing in front of this plant. She had worked there 25 years. She quietly told what happened when her livelihood disappeared. Like many people today who lose their jobs because of trade, she got another one, but it only paid \$7.25 an hour, I believe, working at the Target store. She had been making \$15 an hour.

The telephone that she once assembled for Lucent is now made in Reynosa, Mexico. Do you know what they pay folks down there to do that? Less than \$1 an hour. But the price of the telephone, she told us, keeps going up. How did she know? She worked in the Target store now that sells those telephones.

We got on the bus from there and we went down to Columbus, Georgia, where we met with textile and apparel workers from throughout the region. They told us what happened when plants closed in small, rural communities where few opportunities are available for those who lose their jobs. More than 150,000 textile and apparel workers have lost their jobs in the past 2 years alone, 2 years alone.

Farther down the road, we visited with farmers who worked at a tomato packing co-op in Quincy, Florida. The once bustling facility now stands virtually empty. Since NAFTA was passed in 1993 more than half the tomato farmers in Florida have gone out of business. Many of these farms have been owned by the same families for generations. These people are very, very proud of their work, and they know they have nothing to fear from old-fashioned competition, but one after another, they told us of their story and their frustration.

Here they are, dealing with a situation in Mexico where tomatoes are grown with chemicals and pesticides that are illegal here in the United States. They are grown in unsanitary conditions and picked by workers, including children, children who are 11, 10 years of age, who toil for indecent wages. That is what they are up against. These Florida farmers wondered aloud how much longer they can stay in business under these conditions.

So what does a tomato farmer in Quincy have in common with a garment worker in Columbus, Georgia? What connects a cattle rancher outside of Gainesville with these people here, a high-tech telephone worker in Atlanta? There is a thread that connects all of these people and their diverse lives. They have learned something important, something that people in Washington and Wall Street still do not understand. These people know from hard firsthand experience that something is wrong with our trade policy. Those of us who work in Washington have a lot to learn from these folks.

We know, of course, that a single bus trip cannot solve such a complex problem.

□ 1815

But these issues cannot be addressed without listening to the people who are affected and understanding what has happened to their lives.

We began such a dialogue with our 500-mile journey. This is a long-term debate. It is going to take many years, and we expect to be back on the road again soon to continue this discussion. I hope that others will join us from my party and the Republican Party as we work together to steer this Nation into the future. We can do this if we only find common ground, and we can find common ground if we engage in a dialogue, not only with each other but with the people in the country who are affected by these policies.

I believe, in conclusion, before I yield to the gentleman from Michigan (Mr. DELAHUNT) and the gentleman from Massachusetts (Mr. STUPAK), that what we are advocating is a policy for the future, a trade policy that deals with the issues that our parents and our grandparents and their grandparents struggled with a hundred years ago. Those same issues are being struggled with in countries that we do trade with today,

that are trying to develop into a developed nation.

In this country 100 years ago we did not have the 8-hour day, we did not have the 40-hour work week, unemployment comp, worker's comp. We did not have the weekend. We did not have health and safety laws. All of those things happened because people were willing to sacrifice, they were willing to march, they were willing to demonstrate, they were willing to be beat up and go to jail. They were willing in some instances to die.

It was a Triangle Shirtwaist fire in the City of New York, at New York University today, a sweatshop where over 100 women were killed because of unsafe working conditions, that prompted the movement to a safe working condition in this country.

It was 9,000 coal miners living in tents, demanding an 8-hour day, and then having the companies mount machine guns on top of armored cars and threaten these miners, burning their tent site, killing 21 of them, including 11 children, that started the movement to get the 8-hour day.

It was Upton Sinclair's novel, "The Jungle," that exposed rotten food and beef in this country that was poisoning and killing too many innocent people. That led the movement to consumerism and led the movement to safe food.

All of this did not just happen. It happened because people did something about it. And there are people like those that I have just mentioned in Mexico and in Indonesia and in China who are struggling for these same basic rights: a decent wage, a right to organize, a right to assemble, a right to collective bargaining, and the right to lift themselves up to our level.

And it is not only right for us to stand with them because it is the right thing to do; it is also the right thing to do for our people because when their standards go up, multinational corporations cannot say "Well, if you do not take a cut in pay, a cut in wages, a cut in benefits, we are moving to Mexico or Indonesia or China." They cannot say that because the standards there begin to rise and so the comparative advantage is gone.

In conclusion, Mr. Speaker, I want to say that I thank my friends who went on this tour, especially the two gentlemen who are with us today, the gentleman from Michigan (Mr. STUPAK), who knows the food safety issue. He knows all of these issues, but he knows the food safety issue as well as anyone in this Congress, and he has played an instrumental role in raising that issue to the forefront as we debate these issues. And the gentleman from Massachusetts (Mr. DELAHUNT) a new Member who immediately understood this issue and sensed the anger and the frustration in this country, sensed the inequities, and understands the plight of small business people in this, which never gets talked about but is very key as well, and who took of his time to come with us and listen and to see and

to talk and to engage in dialogue so that he could come back here and express to our other colleagues what he had heard on this trip.

Mr. Speaker, with that I yield to the gentleman from Michigan.

Mr. STUPAK. Mr. Speaker, I thank the gentleman from Michigan (Mr. BONIOR) for yielding, and thank him for organizing this special order and actually being the leader on the fair trade campaign.

This bus trip that the gentleman talked about, where we went around Georgia and Florida and listened to people, was put on by the Citizens' Trade Campaign. That is a group of religious leaders, labor leaders, consumer groups, consumer advocacy groups, and they invited us to go out and get out of our safe districts, we are comfortable there, and go talk to folks like we have in our photograph there, I didn't know any of them there other than the Members of Congress, and to listen to their stories.

Mr. Speaker, I found throughout this whole trip, no matter what aspect it was, whether it was manufacturing or farming, Americans are eager to compete. They want to compete. They want trade agreements. But at the same time they know that this country has some standards that we must adhere to, whether environmental standards, labor standards, agricultural standards, and especially food safety standards.

They are saying, we are happy to compete. We can compete with anyone at any level. Just let us all play by the same rules. Let us have a fair trade agreement.

Mr. Speaker, it was interesting at the Ford plant that the gentleman spoke of where they made the Tauruses and the Sables, the number one efficient auto plant in the world according to J.D. Power and Associates, year after year. They are the number one plant. They have a great working relationship between labor and management.

We asked the question: How many cars do you sell to Japan? Obviously, they must sell a lot of this number one popular car. They said, "This year we are doing pretty well. We are going to get 670 units." We asked how many units do they make in an hour, and they can make 67 units in an hour. So what Japan orders from us as far as this very popular car is one 10-hour shift worth of cars, is all they are going to have, and they think that is a breakthrough for this year.

The point they stressed is that while they are the most efficient plant in the world according to J.D. Power, yet they can only sell 670 cars. What is going on here? And they do put the steering wheel on the right-hand side. And Japanese consumers love American cars, especially the cars that come off this line in Georgia.

All they ask is, let us compete. If they are going to bring a car in, let us bring a car into Japan. And they were

serious and sincere and it was neat to listen to these guys.

Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, I thank the gentleman for yielding. I think a fact that I shall never forget upon visiting that Ford factory was that the cost of the car that they produced, which was the Sable, a fine car, in the United States cost approximately \$20,000. When that car was exported to Japan, the consumer in Japan had to pay approximately \$45,000 for that vehicle.

Mr. BONIOR. And it was not just the expensive boat ride over.

Mr. DELAHUNT. It was not the expensive boat ride. But I think really what that particular statistic does really talks to what we are about, which was fair trade. We ought to have probably a picture of the car that was produced here, produced in Atlanta, Georgia, just to remind the American people that that car was \$20,000 here in the United States and \$45,000 in Japan.

Mr. Speaker, I yield back.

Mr. STUPAK. Mr. Speaker, reclaiming my time, the gentleman makes a very good point. We asked why does it cost so much? From \$20,000 to \$45,000 to \$50,000? And they said: See, when we bring an American car and put it over in Japan, then we must follow their rules. We must now follow the Japanese standard. Every car must go through a processing center where they go through with a very fine-tooth comb, and they reject and continue to reject it until that is the perfect car. And every time there is a rejection and further inspection, the manufacturer here, in this case Ford, would then have to pay to bring it up to their standards.

So if I might, I would like to talk a little bit about standards tonight and food safety, because when we went to Florida and we had heard from the gentleman from Florida (Mr. BOYD), the gentlewoman from Florida (Mrs. THURMAN), the gentlewoman from Florida (Ms. BROWN) and the gentleman from Florida (Mr. WEXLER) and others, as we were doing the debate about fast track last year, they said we are happy to compete with Mexico on food standards, especially our winter fruits and vegetables and the citrus, but just have the same standards. But since the implementation of NAFTA in 1993, they said look what happened in our State because we do not have the same standards. Florida has lost 50,000 agriculture-related jobs.

Mr. BONIOR. How many jobs?

Mr. STUPAK. 50,000 agriculture-related jobs since the implementation of NAFTA. The tomato industry has lost \$750 million since 1993. They said our job, our health, our Nation's food standards have gone downhill. But we said, look, can we compete with Mexico to produce food at a competitive price while maintaining the world's highest food safety standards? They unequivocally said yes, we can, as long as the

food coming into our country meets the same standards.

Mr. Speaker, we are not talking about a surcharge or anything to make it meet our standards. We are talking about some very, very basic health standards that this Nation has set forth, has fought for over the years to develop the world's greatest and safest food supply.

But look what has happened. Take our own State of Michigan. We had the school hot lunch program in which strawberries had come in from Mexico and they were tainted with hepatitis A. And Michigan is as far as one can get from the Mexico southern border. But we have to understand that our fruit and our food supply, especially our winter vegetables, 50 percent or more comes in from Mexico during these winter months.

So we had these strawberries that got in the school lunch program and they came from Mexico. At the initial outbreak we had 179 Michigan students contracted hepatitis A after eating tainted Mexican strawberries.

Mr. DELAHUNT. Mr. Speaker, could the gentleman repeat that, please.

Mr. STUPAK. It started out 179 Michigan schoolchildren contracted hepatitis A by eating tainted strawberries. It is now up to 324, and this is in Calhoun County, the public health officials have told us 324 have contracted hepatitis A from school lunch.

Mr. DELAHUNT. So from the time it was first diagnosed that this epidemic broke out, it has almost doubled in terms of the number of young children that have been conclusively diagnosed and contracted hepatitis as the result of the importation of unsafe food from Mexico?

Mr. STUPAK. Mr. Speaker, the gentleman is correct. I am talking about 10-year-old students here. Most of these children were second, third and fourth grade 10-year-old students.

If we stop and think about what we are doing in this country, we have food standards in this country that are the envy of the world. We have the safest food. But if we look at what has happened recently, every second of every day someone is stricken with food poisoning. If we take a look at it, that is 33 million Americans a year. In fact they attribute 9,000 deaths to tainted food here in the United States.

Mr. BONIOR. Mr. Speaker, that is a startling number. I do not think many of our constituents realize how widespread it is. I know my son just got food poisoning last week. We do not know exactly what it was from, but that was the diagnosis. It happens and it happens often. As my colleague says, 9,000 Americans die per year.

Mr. STUPAK. From food poisoning. And we do not always recognize it as food poisoning. But these numbers are from reports and studies of the General Accounting Office. U.S. News and World Report did a big article on it a couple of months ago. That is where some of these statistics derive from.

Mr. DELAHUNT. Mr. Speaker, if the gentleman would yield for a question, what kind of inspection occurs when these food imports enter into the United States?

Mr. STUPAK. Well, jumping a little bit ahead here, but let me explain a little bit of what has happened, what we have found. I mentioned the General Accounting Office and they have done a couple of reports. One was in May of this year, and here is what they told us.

Mr. HUNTER. The General Accounting Office is an official agency of the United States Government, non-partisan in nature?

Mr. STUPAK. Nonpartisan. FDA inspections, talking about domestic and imported foods, in 1981 we had 21,000 inspections in this country. 21,000. In 1996 we have, domestic and imported, 5,000 inspections. In 1981 we had 21,000 inspections of our food supply; 1996 we had 5,000.

Mr. BONIOR. It drops down.

Mr. DELAHUNT. That is less than 25 percent this past year of what occurred 6 or 7 years ago.

Mr. STUPAK. Mr. Speaker, remember what I said earlier. More than 50 percent of the lettuce, tomatoes, the fresh fruits and vegetables we consume in this country are not grown in this country because it is the wintertime. Our growing seasons are down, and especially now with the weather problems we have seen with El Nino as California has been hit.

So now we go back to what happened to the tomato industry that we saw in Florida. Why did they lose 50,000 agriculture-related jobs? Why did they lose \$750 million in lost profits? Because they cannot compete with the Mexican tomato industry which has really taken over the U.S. market.

□ 1830

Down in Florida we tell them, you have to play by the rules. You cannot use illegal pesticides. You must use very clean irrigation water, and you must have proper handling of your product. But they do not play by the same rules in Mexico, and when they come across the border, there is no one to inspect.

For instance, take a look at it, there are 9,000 trucks per day that come in from our southern border carrying fruits and vegetables. Actually it is 12,000, but 9,000 are carrying food products. Of those 12,000, 9,000, which are food products, how many are inspected? One percent. Just 1 percent are ever inspected.

The infrastructure to do the inspections that are necessary was never in place when NAFTA, the North American Free Trade Agreement, was passed. And look what has happened. The inspections have actually gone down.

So we wrote the President and the administration a letter, 84 Members of this Congress signed it, and said, look, if we are going to do these trade agree-

ments, and we are for trade, and if we are going to have equal standards, you have to do a couple things, Mr. President. And we hope we can join and work with you because we want to have trade agreements, but we need to include three things.

Number one, we need to include strong food safety and health safety standards in these trade agreements, whether it is NAFTA or an extension of the fast track agreement. Have our standards, please, Mr. President. Let us increase the funding for border inspections of Mexican trucks carrying food produce, meats, frozen foods into our country, and last but not least let us begin an aggressive food labeling program so all food products that come into this Nation, when you go to the store and you reach for that tomato, it should be labeled in that bin, whether that is grown in Mexico, California or Florida. And let the American consumer decide whether they want tomatoes grown in Florida or Mexico.

Mr. BONIOR. Are there any States that do this now?

Mr. STUPAK. Right now there are two States. Florida is actually one of them. So is the State of Maine. In this bus trip we asked agricultural people, what does it cost if we would say you have to label your fresh fruits and vegetable products from the country of origin so the consumer would know? They said, it costs, according to State officials, \$4 for every store you own a year, \$4 for every store. There were some consumer groups and we asked them. I will take it back, it was \$4 a month. So we asked the consumer advocacy groups what did they think. Florida said it was \$4 per month per store. What do you think it is? They said, at most it is \$8 to \$10 per month per store. That is the added cost, very limited, very, very limited.

So there is not a big financial incentive why not to do it, but again, should not the American consumer have the final say on where they want their fruit, vegetables, especially during wintertime, where it is grown, you choose where you want to take it from, that that Nation does not live up to our standards like on irrigation water and illegal use of pesticides, then you should have the right to say, I reject that fruit or vegetable from Mexico. I would rather have U.S.-grown because I know the standards it lives by.

That is all we are trying to do is, what are the safety standards. We talk about safety standards all the time. Whether you are in Michigan, Florida, Georgia, when it comes to trade and food safety standards, you are certainly concerned about your health, your family's health, and you want to make sure you these high standards are met.

Mr. DELAHUNT. If the gentleman would yield, I do not think that there is any Member of this body that would disagree with the fact that it is unconscionable to allow food that is contaminated to be imported into this country.

I want to get back to the statistics that you talked about in terms of your home State of Michigan and Mr. BONIOR's State where there were in excess of 300 children under the ages of 10 who contracted hepatitis. But putting aside the human anguish, putting aside the fact that this is just unacceptable to the American people, what I would dare say is that the cost of treating the victims of that epidemic in terms of our health care dollars has to be substantial.

Somebody is paying the bill. And it would appear to be the people of Michigan in that particular case, but people all over this Nation in terms of allowing into this country the import or importation of food products that very well might be endangering the health of Americans, there is a dollars and cents cost to that.

Mr. STUPAK. No doubt. There is a dollar and cents cost, but let us continue with this Michigan example. There are 300 and some children now who have hepatitis A. We know how to treat that. You are very ill. There is an antibiotic, you will get better. But what has happened in Michigan? Give you some idea of what kind of food we are importing here, these children right now today are still suffering from loss of hair, skin loss, respiratory infections, asthma-related illnesses, shingles, sores in their mouth. Those are not symptoms of hepatitis A. The suspicion is that there were other things in these strawberries. The unclean water that they used to irrigate, could there have been lead, arsenic? Was there an illegal pesticide as Mexico uses, DDT? We have not used that in this country for a long time, and 30 other chemicals in this country they still use in Mexico.

So the secondary symptoms, which are quite horrendous to say the least, we have asked the FDA to do a further follow-up. You have these strawberries. They were impounded. What else was there? Was it lead? What else is causing these other symptoms for these poor children in Michigan? We wrote that back last fall. We still have yet to receive an answer.

So while there is a monetary cost, as the gentleman pointed out from Massachusetts, of treating hepatitis A, we have added costs of things we do not know. We have the agricultural loss of jobs. You have the industry loss, but how do you tell a 10-year-old whose hair is falling out that, well, it is okay, we have got a good trade policy in this country, and we just do not have enough inspections on the border, and, well, I mean, you cannot. Financially or emotionally, you cannot put a value on that.

Mr. BONIOR. It is not just the children in Michigan. Two facts briefly, if I could, that relate to your comments. Number one, I was astounded to learn on our trip that approximately 70 percent of the food sold at this time of the year in Michigan in the Detroit area is imported, 70 percent. I do not know

why I was astounded. I guess I never really thought about it that much. That is a huge number.

The second point I would make, it is not only the children of Michigan who have suffered dramatically as a result of these trade policies that do not take into account lower standards, health standards, but it is the children of Mexico as well. If you look along the border between the United States and Mexico from Texas to California, an area called the maquiladora, there has been virtually no cleanup. They have had this huge surge of industrial development and these plants pouring their waste and their sewage into canals where children bathe and play, and as a result we have had this terrible outbreak of health problems for these children.

The American Medical Association, a conservative and I might even say stodgy organization, but one that is held in pretty high esteem in this country, called this area, called this area, the border area, the maquiladora area, a cesspool of infectious disease. Their words, not mine.

So to get this to trade again, what we are all about is raising those standards so that not only those Mexican children but our children do not have to suffer the consequences that the gentleman from Michigan and my friend from Massachusetts, who so ably outlined for us.

Mr. STUPAK. Mr. Speaker, the issue here in the United States, we want to maintain our food supply as safe as we can. So while we want to raise the standards for the children south and even north of our border, we also must maintain what we already have. These standards, again, the workers we saw, they can compete with anyone provided we are playing by the same standards.

We have had problems with beef coming from Canada, that has been tainted. We have had trouble with Guatemalan raspberries. We have had milk problems up in the Northeast from an airborne pathogen that came over probably from Europe.

So that is why it was so important when we had the fast track discussion last fall and we asked the President to sort of do three things for us, to maintain our standards, the United States standards. Number one, renegotiate the provisions of NAFTA that relate to border inspections and food safety to ensure that any fast track authority would include strong food safety provisions. Secondly, we asked to increase the funding for border inspections or, alternatively, limit the increasing rate of food imports to ensure that there is a safe supply of food here in this country. Last but not least, to begin the program to label all foodstuffs including fresh and frozen fruits, vegetables and meats with their country of origin. Unfortunately, that was not put forth by the administration.

I guess those were simple standards we asked for, but stop and think about

it. About 6 months ago or maybe even a little longer, we were ready to go to a trade war with China over things like CDs, intellectual property rights, copyrights, banking laws. That is all fine. We have these standards for cassette discs. We have it for copyright infringement. We have it for so-called intellectual property, and we have it for copyrights. Why not for food safety, something where we all eat and consume? And yet we have more than 50 percent of our fruits and vegetables. At least give the American consumer the right to determine whether they want that tomato grown in Mexico or in Florida, and you know what standards they are grown under.

I learned a lot from these folks on our bus trip. I look forward to future trips for the Citizens for Fair Trade campaign. I think we are all for trade, but when you hear these stories of these people or whose children have been stricken because of improperly imported food, you certainly, your heart goes out to them. But this is an issue that is being repeated too often. As I said, each second of every day someone suffers from food poisoning, 33 million Americans a year suffer from it. There are 9,000 deaths per year.

A CD has never killed anybody, but we certainly maintain its standards. Why can we not have that same standard for our food safety in this Nation?

I thank Mr. BONIOR for organizing this special order and also being a leader on this issue and opening our eyes to some of these very, very serious issues that must be addressed, and it is the proper position of the U.S. Congress to ask these questions as we continue trade agreements around this Nation and around this world.

Mr. BONIOR. I thank my colleague for his insights and leadership, particularly on this aspect of the trade issue.

I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, I, too, want to echo the sentiments expressed by Mr. STUPAK that it was an extremely informative and educational trip for myself as well as for every Member of Congress. I did learn something about food. As you know, I come from Massachusetts, which is not necessarily considered an agricultural economy. However, I should point out that Massachusetts is the second leading producer, it might be the first, but I will concede to Wisconsin, the second leading producer of cranberries, and most of those cranberries happen to be cultivated and grown in my district, which includes the south shore of Boston as well as Cape Cod and the islands.

But I did learn this that I had never known before. When we talk about globalization, when we talk about trade, you mentioned, for example, that 70 percent of the food that is consumed in the State of Michigan during the course of the winter is imported. When we talk about globalization, we are really talking to, I would suggest, the beginning of the end of a way of

life, but because what I learned on this trip as it related to agriculture is that it is the small farmer in America that is losing, not the large agribusiness, not the large multinational conglomerate, if you will. But again and again we heard that the small farmer just cannot make it.

□ 1845

They cannot survive. And my memory, and maybe it is a romantic view of American history, was a small farmer in America that really produced not just food, but in many respects our national prosperity.

Mr. BONIOR. Our way of life, our culture, so many pieces of the fabric and texture of our country was established, as the gentleman correctly stated, by that type of an entity. It was not just an economic entity, it was a social entity that carried tremendous values that today we revere in this country.

Mr. DELAHUNT. As the gentleman says, it is almost as if there is a loss of a sense of community; that these people who really made America great, the small farmer, is at such an incredible disadvantage because of unfair trade. Unfair trade.

And those are the people we ought to be concerned about. Who is standing up for the small farmer here in America today? It is certainly not the multinational conglomerate.

I was pleased to hear my friend, the gentleman from Michigan (Mr. STUPAK), talk about that we are not opposed to trade. Because the reality is every single Member that participated in that trip wants to encourage trade. We are pro-trade. We are pro-fair trade. But what we want to be able to do is to write the rules of international commerce so that every single American benefits from the prosperity that is generated by global trade and by the global economy. That is what we are about. And that was really the first very small step along that road. The very first step.

But what we have discovered in real terms is that not everybody is playing by the same rules. We have to have a set of rules where there is a minimum wage; where there are child labor standards; where there is a 40-hour workweek; where there is paid vacations; where there is a weekend. It is not about exploiting other nations, it is about raising their standard of living and not suppressing our own standard of living to benefit the few.

If we can pause and reflect, we think of in the past 10 years how well the stock market has done. Broken all records. Every day there is a new record. I daresay that the stock market has probably increased, since 1980, 700 or 800 or 900 percent, and my gut tells me that I am underestimating that. But what is happening to the median income of the American people in this country? The top 20 percent have done well.

Mr. BONIOR. Extremely well.

Mr. DELAHUNT. But what about the other 80 percent? What about the mid-

dle class in America? It is really about the middle class, because if we do not have a viable middle class, the poor and the disadvantaged have nowhere to go but even further down.

So what we are talking about is a global commerce, an international trade where the American people, through its Congress and through its President, write the new rules, the new rules that will encourage trade, but where every single American and people all over the world will benefit, not just a few.

Mr. BONIOR. And the gentleman is so correct when he talks about just the few. There has been an enormous wealth created in this country, particularly over the last 15 to 20 years, and accrued to the top 20 or 25 percent, as the gentleman stated, of our population. They have had tremendous increases in their standard of living and in their worth.

And that is not an insignificant number of people. Twenty-five percent of America is what, maybe 60 million, something like that? Sixty-five million people. That is a lot of people who have generated an enormous amount of wealth. They tend to be the same people who control the organs of communication: the media, the networks, the newspapers, the periodicals, the way we communicate electronically today. They are the folks that control that, and oftentimes they do not move beyond their own circles. They do not see what we see.

The gentleman is absolutely right, the top did very well. But those below the 75 or 80 percent level, below that top 20 or 25 percent, their salaries have basically been frozen or gone down. If we go to the bottom 25 percent of working people in this country, they have had a serious, serious drop in real wages over this same period of time, to the point now where we have in this country the largest income gap between the top working people and the people at the bottom. It has grown enormously.

Why is that? Well, there are many reasons. Trade is a piece of it. I want to be careful and use the right word, but I would say we have betrayed our ancestors and we have betrayed our heritage on the issues that both of us have talked about that took so long to build up in this country. These struggles for a decent wage, for safe working conditions, for compensation, for time off, they just did not happen. We struggled for that.

Mr. DELAHUNT. If the gentleman will continue to yield for a moment. If those that went before us had not prevailed, would there be a middle class in America today?

Mr. BONIOR. Of course not. Of course not.

Mr. DELAHUNT. Is it not absolutely critical that whatever we talk about in terms of our own responsibility, it is to ensure that those standards that were created, as the gentleman said, through struggle and toil, stay the

same so that we continue to have a healthy middle class that really sets us apart as a healthy democracy?

Mr. BONIOR. That is right.

Mr. DELAHUNT. Because without a healthy middle class, democracy starts to erode.

Mr. BONIOR. That is right.

Mr. DELAHUNT. And we become a society of have and have-nots. And that is part of the problem.

Mr. STUPAK. If the gentlemen will yield on that point. In talking about the middle and upper class, and I guess we could say the lower class, those on the lower economic scale, there was an interesting article recently put out by "Inside Michigan Politics," a publication from our home State, just 2 weeks ago.

Mr. BONIOR. That the gentleman shared with me on the bus.

Mr. STUPAK. Right. Basically, they have been doing this study and they had broken down the American workers into five different categories, the top percentile, the middle, and the lower percentile; and again breaking them, the whole working population, into 5 percentiles. The highest percentile, from 1990 to 1996 nationwide, they went up 13 percent greater than any other class.

Mr. BONIOR. The top 20 percent.

Mr. STUPAK. The top 20 percent went up 13 percent. In Michigan it was 12.7, rounded off 13 percent. The middle class, the third percentile, the third level, the middle one here, during that same 6-year period, from '90 to '96, they lost 2 percent. So they went down 2 percent. And the bottom 20 percent, or the lowest economic class that they surveyed, actually lost about 20 percent over the same period of time.

So we can see the rich will get richer, the poor will get poorer, and the poor middle class here that we all relate to and speak of, actually lost 2 percent in our home State of Michigan.

Mr. BONIOR. And the gentleman is right. What happens, of course, is when people's salaries get bumped from, as I described earlier this woman at Lucent Industries, is making \$15 an hour and she lost her job. She found another one at Target, the department store, for \$7.50, half her salary. What happens with those people, of course, is that they work two jobs.

Mr. STUPAK. What is their biggest concern right now?

Mr. BONIOR. And their spouse often works two jobs.

Mr. DELAHUNT. And what does that mean?

Mr. BONIOR. That means they are not home.

Mr. DELAHUNT. That is correct.

Mr. BONIOR. And when they are not home, the whole fabric that keeps our society together, the values of the family being there when their kids come home from school, working with them on their homework, going to their ball games or their dance recitals, it is not there. And they do not participate in their community. They do not vote.

It is no wonder the percentage of people participating democratically in this country is starting to slide, because they do not know what is happening in their communities. They are busy trying to make a living and trying to stay even.

Mr. DELAHUNT. It is like running on a treadmill. That is exactly what it is like.

Mr. BONIOR. Do my colleagues remember the woman who came on the bus, and where was it, it was just outside of Gainesville, with the gentlewoman from Florida (Mrs. KAREN THURMAN), and sang us that song?

Mr. DELAHUNT. Anytown USA.

Mr. BONIOR. Anytown USA; about how these towns have just changed so dramatically. We now have CVS Pharmacies coming in, and the small pharmaceutical companies, the store owner is gone. We have the Kmart's and we have the Wal-Mart's that have come in, with the huge percentage of products made abroad, by the way, and that just kind of ruins the whole downtown area in these communities.

The multinational large corporations have had an enormous impact on changing the values and the face of what America looks like today.

Mr. STUPAK. These workers we spoke to, especially ones outside this plant, and even the textile workers down in Columbus, Georgia, if we look at that photograph, and I know it is hard to see for the folks, but those workers there are not young people just out of high school. They had 25 to 30 years. This was the last plant they had of making these telephones. So they moved, some of them, five and six times trying to keep their jobs.

And the gentleman is right, they were making about \$13 or \$15 an hour and, now, working at Target, for like \$7 an hour. But look at these workers. They were mid- to late 50s. They have 25 to 30 years in with this company. And they said we have been gone now for over a year and we are struggling to find work.

And their big concern, what was their big concern? While they were retirees and had vested benefits, they were now taking their health benefits away.

Mr. BONIOR. That is right. These folks, 25 to 30 years, moved their jobs away, now working somewhere else, but at least they had these benefits. Now they are going after their health and pension benefits.

Mr. STUPAK. Now they are going for their health and pension benefits.

Mr. DELAHUNT. It is important to remember, too, we are not just talking blue collar workers here. There were people that were concerned and frightened about their jobs as middle managers.

I can remember reading 2 or 3 years ago a series in The New York Times about corporate downsizing and restructuring. The victims of corporate restructuring and downsizing are out there, too. The individual that was

making \$65,000 or \$75,000 or \$85,000 a year, we should speak about him, too, because he has or she has not had an opportunity to secure a job, similar kind of employment, that exceeds in many cases more than 60 percent of what his or her income was.

The gentleman spoke earlier about the small business person. Does anybody in America recognize what is happening in the community? The gentleman talked about the drugstore. I have this vivid memory of every day, on my way home from school, stopping at the independent drugstore: The individual who sponsored the Little League team, who knew my name, who traded with my parents, who was an integral part of the community.

That does not happen today. That store is gone. The hardware store, that was part of the song that that folk singer sang to us. Rather than going down and getting your nails and hammer at the hardware store in our local town, where again we knew that individual and we connected with the owner, with the proprietor, he or she is also gone. Today we walk into Home Depot.

Maybe an argument can be made, and I have not heard it yet, that we are better off as a result of the efficiencies that are occurring there. But there is something missing in terms of the quality of life with these people going on.

□ 1900

Remember community banks? Is there anybody in America that has not witnessed the incredible acceleration of the demise of community banks? I know in New England we really have two banks left. If you are a middle-class person, and you need a loan real quickly, go in and knock on that friendly door.

Mr. STUPAK. Whether it is banking or whatever, and I hope the folks listening do not just think it is Georgia or Florida we are talking about but it is everywhere, whether it is Massachusetts or Michigan.

My home area, northern Michigan, I represent the northern half of the State but even my little community of Menominee, which is 10,000 people, and Marinette, Wisconsin right across the border, 12,000 people, we had 4 paper mills in the area. Recently we have been devastated by layoffs. 896 workers have been laid off since September of 1996.

Our paper industry up there in northern Michigan, each of our mills found their own little niche in the market. What happened? The big corporate multinational company from Australia, Visi, comes in. They like this nice little plant in Menominee, so they buy it. They buy it for two reasons, the niche or the product line we produce and our customer base. So they buy this plant, they buy our product line, they buy our customer base.

Then suddenly, even though that mill makes money and machine number

one, paper machine number one still made money, it was not as efficient as they wanted it. So without any responsibility to the community, machine number one is gone, that is 220 workers, and all the support in that factory needs it.

Kimberly-Clark takes over, Scott paper, Scott tissue, we all know that. Kimberly-Clark came in, bought the product line, bought the customer base, basically shut the place down.

Badger was a very small little paper mill in Peshtigo, Wisconsin. Again, imports made it cheaper to buy the pulp elsewhere, and Badger is really struggling to make ends meet. As we globalize, not only is there economic and social justice you have to argue, but there is also a corporate responsibility to these communities and to these individuals. Where do these people, whether in Georgia, Florida or Michigan, who have 30 years in, go for a job?

Mr. BONIOR. There is a backlash that is going on all around not only the country, around the world today, to globalization. We know it is happening, we know it is a reality, we know it is here. It is here to stay, that our borders are broken down, we are going to be trading with each other, and that is good.

The backlash comes when it is not fair. What we are all about is trying to write the rules so that the average man and woman gets a break and it does not all go to the top. It is not much more complicated than that, although we have talked about all the difficult and intricate pieces here.

What we have got to do is start holding accountable those multinational corporations and those governments that are in cahoots with these corporations to make sure that the average working man and woman get a break, because we are all in this together. What happens to the worker in Mexico or Indonesia or in China affects the worker here. People are starting to figure that out.

I thank the gentlemen for spending the time this evening. I look forward to getting back on the bus with them and going to other parts of this country to hear stories, to understand and listen to people and coming back here and sharing their concerns with our colleagues and with the country.

With that, Mr. Speaker, I have the great pleasure and honor of yielding now to the distinguished gentleman from Waco, Texas (Mr. EDWARDS), the Chief Deputy Democratic Whip.

RELIGIOUS FREEDOM

Mr. EDWARDS. Mr. Speaker, I want to thank the distinguished minority whip for recognizing me to speak for a few minutes on an issue that is very near and dear to my heart. Mr. Speaker, I am here today to discuss an issue that I believe is of critical importance to our Nation and to every American family. The issue is religious freedom.

Specifically, I want to comment on Federal legislation that I believe will

do great damage to our Bill of Rights and to the cause of religious liberty. The gentleman from Oklahoma (Mr. ISTOOK) has introduced a constitutional amendment that, if passed into law, would for the first time in our Nation's history amend our cherished Bill of Rights, that Bill of Rights which has for over 200 years protected American's religious, political and individual rights. On Wednesday the Committee on the Judiciary is expected to vote on this ill-conceived legislation.

The gentleman from Oklahoma (Mr. ISTOOK) has mislabeled his work the Religious Freedom Amendment. More appropriately, it should be called the Religious Freedom Destruction Amendment, because that is what it will do.

In my opinion, the Istook amendment is the worst and most dangerous piece of legislation I have seen in my 15 years in public office. It is dangerous because it threatens our core religious rights and would literally tear down the 200-year-old wall that our Founding Fathers built to protect religion from the intrusion of government. That is why I will be working with a bipartisan coalition of House Members and religious leaders from across the Nation to defeat this measure.

The Istook amendment would allow satanic prayers and animal sacrifices in the name of prayers to be performed in our public school rooms. It would step on the rights of religious minorities and allow government facilities, including county courthouses and elementary public schools, to become billboards for religious cults.

Mr. Speaker, America already has a religious freedom amendment. It is called the First Amendment to the U.S. Constitution. It is the first pillar of our Bill of Rights. It is the sacred foundation of all of our rights.

The First Amendment begins with these cherished words: "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." For over two centuries that simple but profound statement has been the guardian of religious liberty, which is perhaps the greatest single contribution of the American experiment in democracy. To tamper with the First Amendment of our Bill of Rights has profound implications.

In the name of furthering religion, the Istook amendment would harm religion. In the name of protecting religious freedom, it would damage religious freedom. With no disrespect intended to my colleague, if I must choose between Madison, Jefferson and our Founding Fathers versus the gentleman from Oklahoma (Mr. ISTOOK) on the issue of protecting religious liberty, I shall stand with Madison, Jefferson and our Founding Fathers.

If history has taught us nothing else, it has taught us that the best way to ruin religion is to politicize it. Our Founding Fathers deleted the mentioning of God in our Constitution, not out of disrespect but out of total reverence for their faith in God and the impor-

tance of religion in our lives. It is that same sense of reverence that should move us in this Congress to protect the First Amendment of our Constitution, not dismantle it.

Some have suggested that the Istook amendment is necessary because they allege God has been taken out of public places. I would suggest those people must not share my belief that no human has the power to remove an all-powerful, ever-present God from any place on this earth.

The fact is there is no law in America that prohibits prayers in school. Teachers have said as long as there are math tests, there will be prayers in school. I agree. Under present law, school children may pray silently in school or even out loud, so long as they do not disturb the class work of others and try to impose their religious views upon their fellow students. Today in our schools children can say grace over school lunches and, if they wish, pray around the flagpole before and after school.

Under the Bill of Rights, government resources, though, cannot be used to force religion upon our school children against the wishes of their parents or the children themselves. What the Bill of Rights does prohibit is government-sponsored prayer, as it should.

Our Founding Fathers were wise to separate church and State in the very First Amendment of the Bill of Rights. Religious freedom flourishes in America today. Why? Precisely because of our Constitution's wall of separation between church and State. Islamic fundamentalism seen in the Middle East today is a clear example of how religious rights are trampled upon when government gets involved in religion.

In the months ahead, I urge Americans to look beyond the sound bite rhetoric of the Istook amendment and ask themselves this question: Should prayer be an individual right or a government program?

U.S. SHOULD SUPPORT INDIAN GOVERNMENT AND GOVERNMENT OF PUNJAB

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, few weeks ago, several Members of this body had sent a letter to the Honorable Prakash Singh Badal, Chief Minister of the Indian State of Punjab. The letter alleges that India's security forces and the Punjab state police have been involved in a number of acts of murder, rape, and torture of the Sikh community. The letter also called for the establishment of a state human rights commission to investigate these alleged crimes.

Mr. Speaker, there is no need to resurrect these allegations or propose a new way to deal with them.

Last year, under the direction of Chief Minister Badal, the Punjab gov-

ernment established a human rights commission whose primary purpose is to investigate claims of human rights abuses committed by government officials, Indian security forces, and members of the Punjab state police. This commission is headed by a former Chief Justice of the Indian High Court. The former Chief Justice is accompanied by retired judges and private citizens from the State of Punjab. The commission was purposely filled with individuals who are of different and unique backgrounds to ensure that all interests are represented.

The Indian government several years ago, I should point out, also established the National Indian Human Rights Commission to investigate claims of human rights abuses. That commission has found members of the Indian security force, border patrol, and military to have used excessive force, especially in Punjab. This commission has swiftly disciplined these individuals for the crimes they had committed.

I am surprised that there was no mention in this letter that representatives of the International Commission of the Red Cross and Amnesty International have visited India. Many distinguished leaders from the U.S., including Members of this body, have traveled to India to meet with government officials, separatist leaders, and the general population.

Last year, Mr. Speaker, the predominantly Sikh Akali Dal party won the majority of seats in the legislature, and the party's leader, Prakash Singh Badal, was named Chief Minister. To show that they are committed to the peace and prosperity of Punjab, the Akali Dal party ran in coalition with the predominantly Hindu BJP party.

What concerns me, Mr. Speaker, is that these claims and accusations about the situation in Punjab really are almost 10 years old now. The developments over the last 2 years, three elections with over 60 percent voter turnout and the establishment of the state human rights commission, are in sharp contrast to the claims that are being made in this letter that was sent to the Punjab government. The people of Punjab have demonstrated their preference and commitment to peace and the democratic process.

I think it is time that Members of this body look past the problems that formerly plagued Punjab. It is time for us to focus on different issues, such as the major economic reforms initiated by the Punjab government.

Punjab is currently trying to attract numerous American companies to invest in the state's infrastructure, information technology, and agriculture projects. We should support those American companies, such as Pepsi, Heinz, and Kellogg, who have already made tremendous investments and have helped bring stability back to the state of Punjab.

Mr. Speaker, I am simply asking that we show our support and work with the

Indian government, as well as the Punjab government, in keeping peace within Punjab. We should encourage American companies to take advantage of the opportunities that exist in Punjab.

Over the last 2 years, the citizens of Punjab have demonstrated their commitment to peace and democracy. I think it is time we put these problems in the past that existed in Punjab behind us. They are being addressed by the human rights commissions that are in place.

It is much more valuable for us to talk about what we can do as Americans to bring Punjab and India closer together with the United States, as I know so many of the people in this body, including our Members of the India Caucus, have strived to do.

□ 1915

SAVING SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes.

Mr. SMITH of Michigan. Mr. Speaker, our Congressional Budget Office today made an announcement that they now predict that we will have a \$8 billion surplus this fiscal year ending October 1. It gives me a great deal of concern that we are hoodwinking the American people on what a surplus really is.

If one looks at this chart, it shows what has happened between 1960 and 2000. You notice even in spite of the Washington claims that there will be a surplus, the national debt keeps going up and up and up. That is because the way Washington defines a surplus is all money in, and all money out. The Trust Fund surpluses are spent in Social Security. In fact all our Trust Fund surpluses are spent on other items, and they are used, in effect, to pretend that we have a balanced budget, when we really do not.

So while we are professing great accomplishments, that we are having a surplus of \$8 billion this year, this is how much we are borrowing from Social Security.

The Social Security Trust Fund in 1998, total revenues in, \$480 billion; total expenses, \$382 billion. We are borrowing from the Social Security Trust Fund, the bottom line, \$98 billion. So when they say we have a surplus of \$8 billion, it says maybe we are only borrowing \$90 billion from the Social Security Trust Fund.

This is the historical tables that the President sent over last month with his 5-year budget. If you would turn to page 111 on these historical tables, you would see that the President's budget, every year for the next 5 years, the national debt increases between \$130 billion and \$175 billion. That is because we are borrowing from the Social Security Trust Fund.

So on the one hand, we say that the money borrowed from the Social Secu-

rity Trust Fund is part of the national debt. In fact, it is part of the debt subject to the debt limit that is set by Congress. But creatively, on the other hand, we say, well, this is a unified budget. Therefore, we are going to call what we borrow from the Social Security Trust Fund revenues, and, therefore, the budget is balanced.

I would suggest that the true test of a balanced budget is when the national debt stops going up.

Look at this next chart. Here is the problem that we are having now in Social Security. The little blue area on the top that goes from 1997 until the year 2011 is the surplus that is coming into the Social Security Trust Fund. That blue is the positive side that means that there is more Social Security taxes coming in than is required at the moment to pay out benefits, because Social Security is a pay-as-you-go program. That temporary surplus is what we are using to currently balance the budget.

But that goes away in 2011. It goes away because the cash revenues coming in to fund Social Security benefits are going to be run out, and the benefits are going to be greater than the dollars coming in from the Social Security taxes.

So you see what happens in the other year, and this really gets to the heart of the serious problem of Social Security. If you go way to the bottom right-hand side of the chart, you see we are going to have to borrow \$400 billion or come up with \$400 billion additional dollars every year to satisfy what we have now made promises to the retirees that are going to be getting Social Security benefits.

A huge problem on Social Security. I think we have to face up to it. The number one thing that the American people have got to start looking at, though, is the fact that Social Security has serious problems. Part of the reason, part of the reason they are having the problems for the future is that we are borrowing the surpluses today to spend for other programs, and we are borrowing those surpluses to pretend that we have a balanced budget, in fact a potential surplus this year and next year. The surplus projected by CBO next year is \$9 billion. Next year we are going to be borrowing \$100 billion from the Social Security Trust Fund. The following year, in the year 2000, I think the estimate is that the surplus is going down to \$1 billion.

The fact is we need to acknowledge the fact that we are borrowing from the Social Security Trust Fund to balance the budget, to so-called balance the budget.

This next chart I think is interesting, because it starts looking at what the problems of Social Security are in this country. This chart shows the numbers. It is the demographics of what is going to be happening to us over the next several years. The number of seniors, the number of retirees is increasing dramatically, a 73 percent

increase; 64 million seniors in this country, a 73 percent increase between now and the year 2025, where the working population is only going to be increasing 14 percent between now and that time. So you have an increasing number of seniors and a decreasing number of taxpayers that are paying into Social Security.

Let me just retrace into history a little bit on how Social Security was started. Social Security was started in 1935. It was started as a pay-as-you-go program where existing workers pay in their taxes to cover the benefits of existing retirees. So no savings, no investment.

It worked very well in those early years, because in those early years, the average life span of an individual was 61 years. So most people never even lived long enough to collect any Social Security. So a system, a Ponzi game, a pay-as-you-go chain-letter-type structure like this, worked very well if people did not collect that Social Security.

But today, let me tell you what the average life span is today. Today the average life span, at birth, for a male, is 74 years old; for a female is 76 years old. But if you live long enough to start collecting Social Security, if you live to be 65, then on the average, you are going to live another 20 years. That is part of the problem. That is why the increase in seniors is going up so dramatically, and the increase in the people working and paying their taxes is going up modestly.

After World War II we had a high birth rate, those individuals called the baby-boomers, who are going to be retiring just about starting in about 2010, 2011, 2012. So these high-income people go out of the pay-in category and start collecting from Social Security and Medicare and other benefits. So they stop paying their taxes in. That is part of the reason that we really fall off in the year 2011, not having enough tax revenues as the senior population starts increasing.

By 1942, there were 40 people working, paying in their Social Security tax, for every single one retiree. Now, this chart shows that by 1950, that got down to 17 people working, paying in their taxes, for every retiree. Today it is three people working, paying in their taxes. The estimate is by 2027, there is just going to be two people working, paying in their taxes for each retiree. That is why it is so important, so critical, that we start facing up to this problem today, that we do not bury our heads in the sand, but we start acknowledging Social Security.

I compliment the President for at least saying, look, Social Security is a problem. We need to give it a priority. Let us make Social Security first. I say, yes, let us do it. Let us move ahead.

I talked to Ned Gramlich, who is from the University of Michigan. I am from Michigan. He headed the President's Task Force on Social Security. He spent 2 years. They could not agree

on any single solution. They came up with three different solutions. However, what is interesting, every solution said that individual opportunity to invest some of that money as their own money is part of the solution. So you start changing it from a fixed benefit program to partially being a fixed contribution program.

And here is why every one of the three propositions that were put before us from that group included private investment as part of the solution. It is because over the last 90 years, the average return on index stocks has been 9 percent, 9 percent return. What do you think the average return for everybody that is under 55 years old is going to be today in Social Security? The Tax Foundation estimates that anybody that retires after the year 2000 is going to have between a negative 0.5 percent return and a negative 1.5 percent return. So Social Security as an investment is a very, very bad investment.

So if part of that money could go and be invested, you are still going to have to pay it, it is still going to go into the Social Security Administration, but like a 401K or like a Thrift Savings Plan, it will be an investment that is going to be the property of the individual worker.

Would it not be great for a change, we heard earlier this evening about the dilemma of people moving up and seeing and experiencing the creation of wealth. Part of the reason is this government and other governments are taking so much away from individuals in taxes. On the average now, 40 cents out of every dollar you earn goes in taxes. If you could reduce that a little bit, if we could allow workers the opportunity to invest some of that money into investments that are going to create wealth, where they could see the magic of compound interest, where their money is doubling every so many years, and, believe me, about the eighth doubling, the quadratic really increases, and you end up with really saying, gosh, this is a good idea, saving and investing.

That is why part of the solution has to be, in Social Security, an individual having that opportunity to take part of that Social Security tax and saving it and investing it and having the opportunity to see the creation of wealth.

The next chart represents what I think is what we have been trying to say in terms of what is happening to the number of seniors that will be increasing at 79 percent, and on the age 20 to 64, they only increase 20.6 percent, and then under age 20 goes up 4.7 percent. It is another way of describing the serious demographics that is really putting a challenge before the United States Congress and the President in terms of both Social Security and Medicare.

Since we created Social Security in 1935, every time we had a little extra money, we expanded the program and expanded benefits. In 1965, for example, we amended the Social Security Act to

start the Medicare program in this country. Every time we were short of money, guess what we did? We increased taxes.

This chart shows how we have increased taxes. What I would like to point out is since 1971, Social Security taxes have gone up 36 times. I am going to say that again. Since 1971, we have increased Social Security taxes, the rate or the base, 36 times. More often than once a year we are increasing the taxes on working families in this country.

It is not a good way to go. We have got to make some changes, and I think the sooner we do it, the better.

Since we have increased taxes so much, if you look at the working population in this country, today 78 percent, this chart shows that 78 percent of working families now pay more in the FICA tax than they do in the income tax. So we are faced with a situation where taxes have been increased so often that 78 percent of all workers pay more in the FICA tax than they do in the income tax.

□ 1930

How are we are going to change it? What are we going to do? This, I think, is hopefully a heads-up, an awakening, to the young people in this country that should start demanding that this Congress and this White House do something to save Social Security for them. We are making them pay these huge amounts of taxes out of their pockets, and if we do not do something, they are never going to see any return from those taxes. That is the danger we are facing.

If we look at what happens in terms of the number of years that you are going to have to live after retirement to simply break even on what you and your employer put into Social Security, this chart shows, because it is a Ponzi game, shows that if you retire early, you can get all of your money back that you and your employer put into it in the first 2 years or 4 years; 16 years if you retired in 1995, and it goes up to 23 years that you are going to have to live after retirement if you retire in 2005. If you retire in 2015 you are going to have to live 26 years after you retire.

Another way of saying this is the statistics from the Tax Foundation that say you are going to get a negative 1/2 to a negative 1 1/2 percent return on the amount of money you and your employer put in Social Security. Let us be perfectly clear whose money that is when the employer puts in half of that 12.4 percent. It is coming out of the employee's pocket.

I mean, if the employer was not willing to acknowledge that he was willing to pay this much to the employee and this much in taxes, that is what the employee is worth. So far as I am concerned, it is coming out of the pocket of the employee, that 6.2 percent that the employer pays in, for a total out of that employee's pocket now of 12.4 per-

cent, just for Social Security. Then you add Medicare on top of that. Then you add your other income taxes and your excise taxes on top of that.

I think we need to start deciding just how much government we want in the United States, how much government are we willing to pay for, when 40 percent of the time you work, you work just to pay your taxes? Let us think of the possibility of getting all taxes down to 25 percent, at least, of what you make. Let us start looking at a more frugal Federal Government.

Of course, the Federal Government is the government that takes most of the tax money out of your pocket. This last chart that I have, that I think is optimistic in terms of what you can make if you are going to have an investment in the stock market, it is optimistic as far as the Social Security return. The Social Security Administration, on the bottom right-hand side, estimates that you can have had about a 1.7 percent return if you are lucky enough to be a white female that is going to have a longer period of years, so you are going to live over the 26 years after retirement, and you are going to make a return on the investment of approximately 1.7 percent.

However, if that same investment were put in the indexed stock market, you would be earning a return of approximately 8.5 percent. The middle blue line is the average real bond return, so even if you are investing in bonds, I am proposing in my bill, and I have introduced the only bill in the House that has been scored by the Social Security Administration that will have been scored to keep Social Security solvent.

In my proposal I am suggesting that we do not increase taxes, that we do not effect any reduction in benefits for those that are retired or those that are close to retirement, but we start taking some of that surplus money, and instead of spending it for other programs we take some of that surplus money that is now coming into Social Security and we start solving the problem by letting workers invest 2.5 percent of their taxable income. What would everybody do if they had the opportunity to invest 2.5 percent of their taxable income in safe investments? They would see the creation of wealth.

I think by taking this so-called surplus and investing it back into Social Security, by allowing workers to own some of that money so if they happened to die before they reached retirement age, it would be part of their estate; unlike Social Security, it would be what they own.

I am suggesting that with the opportunity to invest part of the money, and every year I increase the amount of money that would be allowed for personal investment, because as the trust fund expands, then what we are dealing with is more money available to increase the percentage of your Social

Security tax that you can privately invest, so it takes 50 years under my proposal, but you finally get to 10.4 percent out of the 12.4 percent that you could invest as your own investment.

I am suggesting that you can retire as early as you want to to have that kind of fixed contribution returns on your investment. You can take it out at 59½ years old, or whenever you have enough money to buy an annuity, just to guarantee that you are not going to be spending it all and depend on other taxpayers to help you out later. You can retire as early as you want to.

I am suggesting that as you have personal investments, a good way to divide that personal investment between man and wife, between spouses, is to add what each spouse is allowed to invest, and you add both spouses' investment opportunity together and you divide by 2. So both the man and the wife, whether the wife is working or staying at home, would have the exact same amount that they are investing in their own personal retirement savings account.

Some people have asked me, what do you mean by "safe investments"? What I have done in my legislation is limiting it to either indexed stocks or indexed bonds or indexed global funds or indexed cap funds and other safe investments, as determined by the Secretary. It is the direction that we have to go. The quicker we move ahead on these kinds of solutions, the better off our future is going to be, not only for existing retirees, but for future retirees.

I have been asked the question in my town hall meetings, why do you not just take the \$65,000 cap off what individuals are now required to pay that 12.4 percent of? When we started this program we started at 1½ percent of the I think first \$3,500. Now, over the years, we are now up to 12.4 percent of the first \$65,000 that you earn.

But if you were to take the cap off, because Social Security benefits are calculated based on what you put in, if you took the cap off, the more you put in, the more your benefits would be. So I think that brings us to a decision: Do we want Social Security to turn into a welfare program that has no relationship to the contributions that go in?

I suggest that we do not want to turn Social Security into a program that says, well, if you saved and invested and did it on your own and were lucky, then you do not get anything back; but if you did not save and you did not invest and you did not take two jobs along the way, then we are going to have a Social Security program. I think there is some danger in turning Social Security into a welfare program. However, I do think that we need to slow down the increase in benefits for the higher wage-earners. That is what I do in my proposal.

I wonder, Mr. Speaker, if everybody understands how we calculate Social Security today. Let me just give sort

of the rough version. You take your 35 best years of income or wages that you are making, and out of those 35 years you get an average monthly earning. Then you take the average monthly earning and you take the first roughly \$450 and you say you are going to get 90 percent of that lower amount and then 15 percent of a higher amount. So what it does is add some degree of, if you will, progressivity to the way we calculate Social Security benefits.

So we go from 90 percent to 30 percent to 15 percent of your wages, and 15 percent of the high wage. That means that the high-wage person that is contributing up to the maximum is going to get a lower percentage back in terms of benefit than the lower wage-earner.

What I do in my proposal is I slow down the increase in benefits for that high-wage earner. I increase the retirement age by an additional 2 years. But to offset that 2-year increase in retirement age, I say that an individual can retire and use their returns for their investments as early as age 59½. So within 30 years, it could very well be that what they are getting from their personal investments would be greater than what they get from their fixed benefits under the traditional Social Security.

Yet one only needs to look at several examples of what States are doing to see the advantages of investment, real investment, and the returns that that can create as far as pension benefits compared to the Social Security fixed benefit program, where, in effect, we spend all of the money immediately when it comes in in taxes.

If we were to look at, for example, some counties in Texas that had the option of not signing into Social Security but invested that money in the kind of investments in stocks and bonds and mutual funds, whatever, those people recently now are getting up to 8 times more than they would have if they had been in the traditional Social Security system.

Mr. Speaker, private investment has to be one of the considerations of how we solve Social Security. I say, and this is what I said when I spoke to the National Association of State Treasurers this afternoon, going over this problem, is let us look at all the options.

Let us say here are all of the ways that we can help stabilize and keep Social Security solvent. Let us start talking about those options, pick out the best options, and let us, by the year 1999, next year, let us come up with a Social Security bill and start moving it forward as far as solving this problem, because the longer we wait, the more drastic the changes are going to have to be.

So let us face up to it, let us talk about it, and the gentleman from Texas (Mr. CHARLIE STENHOLM) and the gentleman from Arizona (Mr. JIM KOLBE) have a bill that says let us have a joint committee of the House and the

Senate. Other individuals say let us appoint a commission.

Personally, I question appointing a commission if we are going to simply have a commission that is going to spend a couple of years, like the President's Commission did, coming up with alternative solutions. I think it is Congress' responsibility, it is the President's responsibility.

Let us look at the best possible solutions with the goals of not interfering or reducing the benefits of existing retirees or those that have already planned their retirement based on the promises kept, with the goals of making sure that Social Security is going to be a good investment for working families in this country, and with the goal of making sure that Social Security is going to be available for our grandchildren.

DEVELOPMENTS DURING AND AFTER BLACK HISTORY MONTH

The SPEAKER pro tempore (Mr. BLUNT). Under the Speaker's announced policy of January 7, 1997, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, there have been a lot of developments over the past 2 weeks, and I had meant to speak last week and was unable to because of the sudden adjournment that took place last Tuesday, but I think what I wanted to talk about is still pertinent.

I wanted to talk about the closeout, the ending of Black History Month. February was proclaimed as Black History Month or African-American History Month for 1998. But since that time there have been a number of developments which I think are relevant to what I had to say at that time, so I am going to try to blend in some of these additional developments that have taken place with the statement that I originally wanted to make in connection with Black History Month.

Some relevant developments include the conclusion of a peace mission to Iraq, which I think is relevant to what I have to say. Another development is the issuance of a report last week by the Milton S. Eisenhower Foundation and the Corporation for What Works. It is called "The Millennium Breach," in commemoration of the 30th anniversary of the National Advisory Commission on Civil Disorders. The National Advisory Commission on Civil Disorders was better known as the Kerner Commission Report.

The Kerner Commission Report was a report commissioned by President Lyndon Johnson to study the riots that took place in the sixties and to develop a set of recommendations for the Federal Government. I like to call it the Kerner-Lindsey Commission Report, because Mayor John Lindsey, who was at that time Mayor of New York, was also appointed as Governor Otto Kerner of Illinois' vice-chairman, sort of. I know that Mayor John Lindsey did a tremendous amount of work on that Kerner Commission report.

□ 1945

So the Kerner-Lindsey Commission report stands as a report which I think is as great in the refusal to recognize as it is in its value. It has a great value, but if we had a way to measure the volume of the abandonment or attempt to ignore it, then it would be far greater than its value.

From the very beginning, the Kerner-Lindsey Commission report was snubbed by the President himself. President Lyndon Johnson, when they gave him the report, he refused to comment on it publicly. He accepted it, nodded his head, and that was the end of it as far as he was concerned.

By that time, President Lyndon Johnson was greatly burdened by the problems of the Vietnam war and domestic issues. He had had enough in terms of their disturbing his focus on that war. Issues related to civil rights, et cetera, he had given some time and attention to, and he was upset by the fact that there was not more gratitude and that all of these riots had broken out in the summers that led up to the need to commission the Kerner Commission report. Finally, when it was given to him and the recommendations were made, he did not care to deal with it.

The basic recommendation was that we were evolving toward two societies, one black and one white; that the conditions that existed in the black communities were very different from the experience that was taking place in the white communities; and that we needed a series of programs to address the fact that we were evolving into two sides. There were two different sets of opportunity, and those two different sets of opportunities were spawning different reactions and creating a situation in the black community which led to those explosions. By that time, nobody wanted to deal in a rational way with what was happening and the Kerner Commission report was tossed aside.

So I want to congratulate the Eisenhower Foundation. It established a continuation committee at that time, and every 10 years they have updated and commented on what has happened since the Kerner Commission report, and this is the 30th year anniversary. Mr. Speaker, I think that their recommendations here are worth taking note of, especially in connection with the closing out of Black History Month.

Black History Month this past year probably saw a greater number of observances and recognitions of the basic attempt to highlight achievements of blacks and the fact that blacks exist as a major part of the American experience than ever before. Carter G. Woodson founded Black History Month many years ago, and he would have been proud of the depth and the breadth of the recognition and the activities that took place during the past month.

And every year that has been the case, more and more activities take

place in relation to Black History Month. More and more corporations have advertisements which indicate their recognition of Black History Month. More and more programs are on public television, and even on commercial television they include more and more programs on black history as time goes by.

So I am pleased with the observance of all of these micro items, these micro activities of black history taking place more and more. That is a step forward. I applaud that progress.

Black History Month was supposed to be a month in which we bear witness to the progress, the richness and the diversity of African-American achievement. Carter G. Woodson created and promoted Negro History Week. This week was selected because it included the birthdays of Frederick Douglass and Abraham Lincoln. In 1976 the week became a month.

It is time for Americans to reflect on the history and teachings of African-Americans whose contributions are still too little known, and that is basically what has been taking place. There are those kinds of items in the mass media and schools and churches, and Carter G. Woodson is to be applauded for having launched this, because it was launched at a time when there was a determined effort to ignore any positive achievements of American blacks, former slaves.

My problem with what is happening is that it does not go far enough. I am pleased with the micro items, as I am sure Mr. Woodson would be pleased. The recognition of various people, of positive achievements of various individuals and personalities, various movements, all of that I am quite pleased with.

I would like to go further and say that in future Black History Months we focus more on macro experiences and relate those macro experiences to what is happening now. In other words, I think it is important to look at macro phenomena related to black history, certain macro phenomena, and see how they have an impact on what is happening now.

What is the impact of knowing more about black history on our current argument related to affirmative action? What does a greater knowledge of black history have to do with that present situation where there are clear forces lined up on both sides, some against affirmative action, and we have a movement underway to get referendums and to reject and repeal all laws, regulations related to affirmative action? What light can knowledge of black history throw on this debate?

Then of course there are other people who say that affirmative action needs to go but they are ready to provide more "opportunity programs." An opportunity program is defined as being different from an affirmative action program because an opportunity program would create opportunities on the basis of disadvantaged status.

In other words, all low-income people, all poor people, black, white, any other ethnic group or race, would be eligible on the basis of the fact that they need the opportunity. Extra help should be given them because they are poor. Extra help should be given them because the circumstances under which they were born placed them at a great disadvantage. So there are people who are rabidly against affirmative action, who will tell us that they are all for opportunity programs.

I would like to talk about how the knowledge of some basic facts and basic phenomena related to black history and the 232 years of slavery that were experienced by our ancestors, black ancestors, how that throws a light on that argument too. Because what we find is that many of the people who say, "I am against affirmative action but I am all in favor of opportunity," when we confront them with a set of recommendations for opportunity programs they are quick to retreat. It becomes "big spending." Opportunity programs equal big spending.

In fact, we took out something called "Opportunities to Learn." We took it out of the law in 1996 in the appropriations process. In 1996 we had a thing in the education law, the Elementary and Secondary Assistance Act, which said that the Federal Government would encourage standards for opportunity to learn in our schools.

We have standards for tests, we should have standards for opportunity to learn. We had standards for curriculum. The one standard that they took out was the standards for opportunity to learn which, translated into common-sense English, it was only a statement that the Federal Government would use its influence. Nobody was mandated to provide opportunities to learn. It would use its influence to encourage States to have certain standards with respect to opportunities to learn.

Mr. Speaker, that meant in addition to setting standards for curriculum and giving tests to see if the young people lived up to those standards, we would also make certain that the young people who are taking those tests had an adequate supply of books, that they had teachers who knew their subject matter, that they had buildings which were adequate in terms of being conducive to learning and certainly safe and without health hazards. That was a frightful thing, and many governors throughout the Nation were the ones who put a great deal of pressure on both Democrats and Republicans to get rid of that language because although it was not mandatory, just to have it around, the governors found uncomfortable. The people who make decisions found it uncomfortable because it meant they would be on the spot in terms of providing resources, which means money. We have to have the money to provide the resources to guarantee that before we give a child a test to see if he has lived up to certain

standards of curriculum that we have set, that we have also provided him opportunities to learn.

So they backed away from it because it looked like it would cost a lot of money. It will. We have to have decent physical facilities. The President's construction initiative would cost a great deal of money, and that is necessary to provide the opportunity. If we provide telecommunications facilities for schools and we provide computers and we wire schools for the Internet, that costs additional amounts of monies. We are providing those opportunities for the poor who would normally not have those opportunities.

We have the schools already in the suburbs, the schools of the future. They have the state-of-the-art communication, the computers, the Internet hookups. We have the best schools in the world in certain parts of the country. But in other areas we have youngsters who would benefit from certain opportunity standards, but we have backed away from it and they are getting less and less instead of more and more.

So it becomes critical to confront those who advocate opportunity versus affirmative action, to put their money where their mouth is. Live up to it. Let us have real opportunity programs.

In this report done by the Eisenhower Foundation to update us on the Kerner Commission report and where we are in relation to that report, they have a set of recommendations and some budget figures to go with those recommendations. So we are back to square one in terms of here is what is needed to provide opportunity, focusing on opportunities for minorities in big cities mostly, but the same thing is true of disadvantaged people in any part of the country, poor people.

So when we confront people who say we do not want to spend that much money to take care of the needs of the disadvantaged or the poor, it will break the government, we will go broke and big spending programs have brought us to the point of disaster in our economy, we still confront people like that despite the fact that we are enjoying an unheralded, unprecedented era of prosperity.

The index of the most favored stock index is above 8,000. I listened to the gentleman from Michigan talk about Social Security. Part of what he is saying is what a pity it is that people live so long. How awful that it is we are confronted with a dilemma because we are living longer and that places a burden on Social Security. People did not use to live so long when Social Security was first conceived. They had a much shorter life span.

Well, Mr. Speaker, when Social Security was first conceived we did not have a stock market index up at 8,000. Unprecedented wealth is being accumulated in America. Why should we worry about people living so long because that is going to place a burden on the Social Security system. Let us make

sure that the wealth is utilized to guarantee that the elderly people do not have to worry and be ashamed of living long. That is at the heart of the matter.

If we cannot agree that the wealth of the Nation should be dedicated to making life comfortable for the elderly, then we can see how difficult it is to agree that some of the wealth of the Nation should be dedicated to creating maximum opportunity for all those who need opportunity.

Why should African-Americans among the disadvantaged be treated with any special favors, is the way most people put it. Why are they poor in the first place? Why have they not made it? The people argue that expenditures for opportunity should not be made because they all had a chance to make it, all Americans have a chance to make it, and if they are poor it is because there is something wrong with them. Why did they not make it? As a community, why are the African-Americans so far behind the other people who came over here or were brought over here?

Immigrant groups that came later than the slaves have fared much better economically and they are not so dependent. The percentage of people who are poor among other ethnic groups is not as great as the percentage of groups of people who are poor among African-Americans, we hear. There is something wrong with African-Americans.

Well, let us take a look at a piece of history, a phenomenon of history, not a single achievement or micro achievement of one group or one individual. Let us look at the phenomenon of 232 years of slavery.

□ 2000

I have talked about this before. I think it cannot be emphasized too much. For 232 years slavery denied the opportunity to accumulate wealth to our ancestors. African American ancestors, blacks, slaves who, by the way, were not immigrants, they were hostages. They were kidnapped and brought here and forced to provide free labor.

By the way, also, labor for those 232 years had a greater value than labor has now. It was a labor-intensive world, a labor-intensive economy. You did not have machines to do the hard work. It took labor.

So the human capital supplied by the slaves was supplied free because they were forced to give it, and they got nothing back for it for 232 years. That is more than six generations. No wealth was accumulated. But in the world, all over the world, wealth is accumulated by inheritance. It is passed down from one generation to another. If a generation, if a group of people are not able to pass down any wealth, then they have a deficit. African Americans came out of slavery in 1865 with a deficit of 232 years of not being able to pass on anything, not even a pair of pants,

because they owned nothing. They were owned themselves, and whatever they had was under the jurisdiction of their masters.

No capital is the primary problem in, and the lack of capital is the primary problem of impoverished African American communities. The struggle of the newly freed slaves to own homes and land received no assistance. The newly freed slaves were told at one point by General Armstrong of the Union Army, who had his own ideas about reforming and about justice, he briefly had an experiment with every slave was to get 40 acres and a mule. That is where that phrase comes from. They gave a few slaves 40 acres and a mule. And Congress stepped in and told General Armstrong to cut it out. He had to stop that before it really had any impact whatsoever. So the 40 acres and a mule promise was not realized.

Slaves, even after the 13th amendment set them free, and the 14th amendment gave them equal rights, and the 15th amendment gave the right to vote, they could not participate in the land grant program, the program which provided free land to Americans and they could stake out land and from the government begin a homestead and start a new life. Ownership came from God, I guess, from God through the American Government to white people, but slaves were not allowed. There were no reparations, no 40 acres and a mule. And when the land was given out, whether it was the land rush or whatever form they utilized to give away land, blacks were not allowed to participate.

As a group the deficit created for 232 years has still not been overcome. You cannot overcome 232 years of passing down absolutely nothing, no wealth from one generation to another.

And if you want to go check your own family, find out exactly where did your wealth come from, your assets. Some people are not wealthy, but you do have some assets. You own a home. Often couples who own a home were given part of the down payment by their parents. How were your parents able to give you part of the down payment? Because they had accumulated some assets before. Where did they get their assets from? They probably had some help from their parents also. Of course, when you have big multiples of this and people take the small amounts that they inherit, they invest it, they use their ingenuity, and they use capital in ways that increases their wealth, you have large numbers of people become very wealthy and rich. But if you have no capital to begin with, it is almost a miracle.

There are some blacks who got rich. Madam C.J. Walker was one of the first millionaires in the black community. She did not start out with anything. She had a lot of ingenuity, and she knew how to take advantage of the fact that all black women wanted to be beautiful. Cosmetics and the various things connected with hair and beauty

enhancements was her business. But and there are many others who took almost nothing and made something out of it.

But in general, miracles are not made. Ordinary people in any group cannot make miracles. They come through a process of slow accumulation of wealth, handed down from one generation to another, opportunities if you own a home, you can get, you have collateral so you can get a loan for a business. If you have a business and the business is going, you can get another loan or you can make some investments. We know how capital is accumulated and handled in this society. If you start 232 years behind, then you have a major deficit.

It is important for every black teenager to understand that. Some of the hate that we experience is due to the fact that they have no knowledge of history. They do not really understand why their parents were poorer than others, why their grandparents did not pass anything down. They do not understand it, so they absorb some of the trash that is thrown at them about being inferior, different from other immigrants, and they begin to hate themselves, and they begin to act out in ways which are very counterproductive and antisocial because they have no sense of the fact that there is a disadvantage there all right, but it has nothing to do with them as individuals. Just the opposite is true.

They should understand that the very fact that their ancestors were able to endure the Atlantic crossing, where slaves were not brought in immigrant ships, as bad as some of the ships might be. The movie *Titanic* showed you how the poor people were in the hold of the ship, and when the ship wrecked, they were at a great disadvantage. The kind of accommodations that they had were palaces compared with the way slaves came over. Slaves came over lying flat, to make the maximum amount of room. They had to lay flat for the whole trip, and also to control them, they had to lie flat, piled one on top of the other in the holds of the ships. And the very fact that our ancestors endured the crossing was a great achievement.

The fact that they endured 232 years of slavery from one group to another, they survived with some humanity intact, that is a great achievement. I tell people, I am a descendant of an aristocracy of survivors, and every black person ought to understand, you are a descendant of an aristocracy of survivors. A great achievement just to stay alive.

But in the process of just staying alive, we could not accumulate wealth. The system would not allow us to do that. You have to have something. Property owners and consumers make the economy percolate. The turnover of wealth at the local level sets off a chain reaction that accumulates significant amounts of capital. Local slave communities, what did they have to turn over? How could they have a

little general store, somebody being able to patronize it and accumulate wealth by running a general store? Whatever they had, you know, accumulated very meager profits because you were in a community. It was segregated. For years after slaves were set free, the dual economy produced very little wealth, the segregated economy.

That is one of the basic phenomenon of black history that needs to be reviewed more often by blacks and by whites. Understand that there is a 232-year economic deficit that slave labor was demanded, commanded for 232 years for nothing. They got nothing in return. There were no reparations.

We talk about reparations. People get very angry. Why should blacks demand reparations? Reparations obviously has some validity because they do require reparations in certain activities. Our civilization now understands that justice sometimes requires reparations, but when blacks talk about reparations, immediately you get hostility. People turn off or they turn away or they turn towards you violently.

So that is one phenomenon, the economic price that was paid, the disadvantage. Those who argue against opportunity programs, opportunity programs that might focus money on education programs for disadvantaged African American youth in inner cities where the poverty is piled up and still continues, those who argue against that should take a look at the fact that there is a reason why the need is there, and part of that reason relates to America as a Nation, America as a Nation tolerated slavery. America as a Nation provided the legal structure to maintain slavery for much too long.

There are heroes, of course, who tried to get rid of it early, and finally Thomas Jefferson got a prohibition on the importation of slavery long before Lincoln was able to issue the Emancipation Proclamation. The Congress was able to pass the 13th amendment. It was a heroic struggle, and I think I want to note that some African American youth who are very angry about it accuse white people of being responsible for it and find it difficult to relate to white people because they think they are the victims of a long-term plot and all whites are equally guilty. We cannot make alliances, we cannot integrate, we cannot become part of some caring majority activity because, after all, those people cannot be trusted. Those people did that to us, and anybody that has ancestors who participated in a thing as heinous as slavery cannot be trusted.

My answer to that kind of reasoning, by young people or anybody else, old or young, is that the white people set us free. The white people were part of the process. We are indebted to our ancestors, blacks, for surviving and for enduring. We would not be here if they had not endured all of things that were done to them. But white people had the power, and only they had the power, to

finally work the situation out so that we were set free.

The abolitionists who were often ridiculed and not given the proper role in history, people who were motivated mostly by religion and a belief that God would not accept a condition where just because one's skin was white you had a reason to reign over another group that was black, they refused to accept that, and they not only refused to accept it, they took action and they agitated to get rid of slavery. They were mostly white. Some of the first statements against slavery in writing were made by the Quakers insisting that they would not tolerate slavery within their midst. They were white. Finally, in the woods and on the field and wherever the bloody Civil War took place, it was mostly white soldiers who fought on behalf of the ending of slavery. They fought on both sides, but there were white soldiers who gave their lives and hundreds and thousands for the cause of the Union and under the banner of Abraham Lincoln. We would not be free if that had not been the case.

So there is no need to get caught up in ethnicity and simple-minded solidarity to the point where you cannot relate to the other race because they were a part of that terrible crime of slavery, that criminal institution. That closes the door and does not recognize the fact that African Americans have two sets of ancestors. We have African ancestors, and we have American ancestors. Thomas Jefferson is my ancestor; George Washington is my ancestor.

I do not think it was wise, I am not proud of the fact, that a school in Louisiana decided to change the name of the school from George Washington to some other name. I think it was Charles Drew who deserved to have schools named after him, but to have children reject their ancestor, their past, because George Washington owned slaves. Yes, he did own slaves, but if he had not had a mindset different from his own ancestors, he came out of a monarchy, they came from a monarchy, they came from a society which looked at all men as being inferior classwise. You had a certain elite class, the royalty that looked down on everybody and reserved the right to command everybody and to more or less enslave everybody. If George Washington had continued that tradition, if he had not had whatever it was that he had when he denied the crown, if he had accepted a crown when it was offered to him, we would have had a monarchy. And probably that monarchy would still be nurturing slavery because you would have had a long struggle just to set the ordinary common white men, Indians, everybody else who came over here, to set them free before you got to the slaves.

At least you had a group of men, nobody quite knows how the miracle of 1776 took place, how you had a group of men who were so rational and at least

committed enough to doing the right thing and moving beyond just themselves to the point where they started a process by which the Constitution was able to be put in place and then enlarged, include everybody, everybody was white, and then finally set up a situation where slavery was obviously in contradiction to the principles that they had established.

□ 2015

If the principles had not been established, if there had been no George Washington and Thomas Jefferson, for whatever their shortcomings may be with respect to slavery, we would not have had a basis for later on moving to the steps Abraham Lincoln took when he said the Union must be preserved and the Union can only be preserved if we come to grips with this terrible problem of slavery.

So the phenomenon of denial of wealth for 232 years is one phenomenon that needs to be looked at more. President Clinton's commission on race, I have said before, needs to set some records straight, do some thorough study. There should be an academic component of his Commission on Race Relations.

Of course, his Commission on Race Relations goes beyond just relations between blacks and whites, as it should be. He has a great deal of vision. I applaud the President's vision in terms of understanding that at a time like this, when we do not have riots in the street, we do not have a crisis that is obvious between races, there is no race relations critical situation that has to be addressed on a national level, that that is a time when we should discuss race relations.

We should quietly deal with the fact that under the surface there is a problem. We do have two societies growing apart, according to experts who have made studies, and we need to address that. So I applaud the fact that he has taken this step. He has it on a broad base, so relations with Asians or relations with immigrants in general, a whole lot of things, go beyond the African-American history. But that component ought to be there, and a thorough study of slavery and African-American history would throw a great deal of light on current discussions with respect to public policy. The basic public policy discussion surrounding opportunity would be very much assisted if we knew more about what the denial of opportunity has caused.

The second factor that ought to be looked at in African-American history, the factor which has a great deal of bearing on public policy decision-making now, especially the question of opportunity, should we provide extraordinary resources to guarantee opportunity to the poor, to the disadvantaged, as a way to create a more just society?

If we are not willing to deal with it on the basis of skin color, then just look at the fact that large numbers,

the majority of people of African-American descent in this country, are poor. They are disadvantaged in terms of economics. We must look at it for another reason, in addition to the denial of the opportunity to accumulate wealth for 232 years. Let us look at the fact that for 232 years, the institution of slavery pursued the objective of obliteration. Obliteration.

We had experienced a Holocaust. We experienced an obliteration. The Holocaust tried and succeeded in many cases in destroying the body. The ovens of Hitler destroyed massive numbers of bodies. Six billion Jews were destroyed physically. And it may be there is nothing worse in the world than to be destroyed physically, because without life there is no hope. The slaves were not destroyed physically, because the slaves were considered to be resources and assets. They wanted to keep the body alive but destroy the soul. So there was, for 232 years, an active effort, an aggressive effort to destroy the soul of the slaves of America who provided free labor.

They started in the middle passage, when they brought them across the Atlantic Ocean. They always mixed the slaves according to tribe. They made certain that slaves of the same tribe were not grouped together on the boats. They mixed them up deliberately because they did not want them to communicate. They wanted to confuse them and prevent any efforts at solidarity. They wanted to stifle any efforts to maintain continuity.

Slaves came from civilizations. African slaves were people who were taken out of a civilization that had rules and regulations and customs, religions, societies. They had tribal ceremonies. But an immediate attempt was made to get rid of all that, not let them practice them, by mixing up people from different places and guaranteeing that they had no common set of beliefs.

They prohibited any religious or other customs or ceremonies or rituals. Slaves could not practice their own religion. And even later on, when the blunder was made by many slaveholders of allowing slaves to convert to Christianity, they limited the amount of time they could have worship service by themselves, even after they had adopted the religion of the master.

They refused to recognize family units. And this is devastating. If we want to know the origin of some of the tremendous sociological problems we have within the African-American community, we should stop and think about the fact that there was an attempt made in the course of the 232 years, not an attempt but a successful venture was launched to guarantee that there were very few family units.

Slaves were sold, children away from parents, and the unit of marriage was not recognized. Slaves had their own unit of marriage, called "jumping over the broom." They considered a man belonged to a woman or a woman be-

longed to a man because they believed to "jump over the broom" in their own ceremony indicated marriage. Well, they may jump over the broom one night and consider themselves married, and the next night the husband is sold away from the wife or the wife sold away from the husband. So no family unit was recognized.

Children were put in what we might call group settings. We cannot call them orphanages because they were often fed like animals. We know from recent studies of children from Romanian orphanages what can be done to a child if we deny then nurturing within the first few months of their life, certainly within the first year. If we feed them the way we would hogs, if we put their meals in a trough and place them in a room, a holding, a compound with one nanny and 50 children, and nobody gets any individual attention, we can change the brain of a child.

That is what the studies found of the Romanian children who were adopted, and American parents had difficulties with them. Various studies conducted showed that the children had been treated in a way where they had been kept alive physically, but they had no emotional nurturing and they had been treated in a way where their brains had changed. And instead of being receptive and responsive to warmth and cuddling, they rebelled against it and they were hostile toward people who tried to be warm and responsive to them.

This is a very real phenomenon. The whole argument about heredity versus environment is almost settled. We can change the brain of a child who might have come with one set of genes, but if we treat them a certain way, their actual physical structure changes and we have a different individual as a result of the environment we put them into.

Well, slaves were put into a hostile environment. The children were treated in ways in which many of them certainly suffered and experienced that. They even promoted breeding, as if they had a factory. Breeding farms. Breeding farms were like factories of production to guarantee more slaves.

They denied human nurturing and did any other thing they could do to wipe out any sense of a soul of a human being. That was the other phenomenon that we have to take a look at.

Wealth accumulation, out of the question. But in addition to not allowing them to accumulate wealth, there was an active process that, if they wanted to make their slaves efficient, then they had to make them more like animals. If they wanted an efficient working animal, they had to deny them any opportunity to grieve, any opportunity to establish contacts among themselves, because they did not want a brooding slave after their son or their daughter had been sold. They did not want a rebellious slave because they had treated him in some human way for a while and then suddenly found it necessary to treat him like an animal.

So it was in the system. Slavery is often called a peculiar institution. That is the polite way to talk about it. It was a criminal institution designed to dehumanize and to obliterate the humanity of the people who were in it.

When we are considering the massive social disorganization that currently afflicts African-American communities, we have to consider the result of this combination of 232 years of economic denial and the torture of obliteration. The combination of the torture of obliteration and the denial of an opportunity to accumulate wealth has created a condition which still cries out for some special treatment.

Oh, why does it take so long to get over these problems, one might ask. That question is often raised. Well, if we had some kind of continuum where there is some assistance, some opportunity, then we get positive results. During World War II, when everybody had a job, there were massive opportunities available for everybody, white and black, and blacks had an opportunity to earn an income steadily, over a long period of time. We had tremendous leaps forward in terms of the social organization of black communities and families.

In that brief period, there was an accumulation of wealth, enough for large numbers to buy homes. And it began the dispersal of blacks who had moved out of the South into the industrial North, into different communities within cities and also into the suburbs. If we just applied a set of favorable conditions economically to the black community over a reasonable period of time, probably we could get rid of all of the social problems that seem intractable.

Economics is at the heart of it. There are a number of books that have been written, and they keep repeating over and over again that the jobs that all left the cities and the places where blacks were accumulated, to fill up the vacuum of the jobs that left the drugs came in, and the crime that the drugs bred, of course, exacerbated the problem.

I am saying all this because I wanted to stop Black History Month or African American History Month from being trivialized, from being celebrated with an overkill of microachievements, without getting to the heart of what we need to do and look at and study in order to have a better approach to public policy.

What are we going to do about the President's proposals for school construction? Are we going to have on this floor all those arguments about we do not want big government, we do not want big spending, while out there in the inner cities they have hundred year-old schools? In New York City they have numerous school buildings that are 70 to 80 and 100 years old.

In New York City we have almost 300 schools, 300 schools, which are still using furnaces that burn coal. Recently there was a series of articles in the

Daily News on asthma, the horror of asthma in the city. We have one of the highest accumulations of asthma in New York City than anywhere else in the country.

It really shocked me that the Daily News could write a series of articles in three stages, three different days, and discussing asthma and the high rate of asthma and how it accumulates in certain communities, and discussing asthma and how attacks often take place in schools and teachers do not know what to do. They never bothered to mention that there are 300 coal-burning furnaces in the city and they are contributing greatly to the asthma problem.

It just is mind-boggling to believe that a set of reporters, journalists who are trained, could develop an article. I cannot believe that it is by accident. I cannot believe they overlooked the fact that there are 300 coal-burning schools and they spew coal dust into the air. Even the best coal-burning furnace with the best filters are going to have coal dust in the place where they are located. And coal dust accumulates slowly in the lungs of young children, who are very susceptible to the impact and the effect of coal dust. But that was not mentioned in any one of the Daily News articles.

I have asked a few questions. I was told someone on the Daily News staff has gone to work for the Mayor and they did not want to do anything to upset the city government. I do not know.

□ 2030

I hope that this is not a corrupt oversight. I hope it is an incompetent oversight. Either way, it is hard to imagine writing an article about the accumulation of asthma cases, the rate of asthma cases in the city, and not bothering to see that the 300 coal-burning schools have something to do with it.

In the making of public policy and responding to the President's initiative, school construction, smaller class sizes, you cannot have smaller class sizes in most inner-city communities like Chicago, New York, Philadelphia, unless you build more schools or you greatly expand those that exist or renovate them. So you have got to build schools. The construction initiative of the President is directly related to any initiative you take on smaller class sizes.

You cannot have an increase in the amount of computers and wiring for the Internet in the inner-city schools unless you repair or build new schools, because those old schools are not wired properly to receive the wiring or you cannot even bore holes because of asbestos in walls. They still have a serious problem of asbestos.

In New York City I have been involved in a project to wire 11 schools as a pilot project. First we had to have a certification by an asbestos firm that asbestos, if it existed in the schools, was a problem with the holes that we bored, it was not too great. They had

to certify that it really was not a health hazard. It is very expensive to get the asbestos firms that do the certification. Just to get off the ground and be able to get permission to bore holes to bring volunteers in to wire the schools, we had to spend money on asbestos certification. In many schools, of course, it is so great until you cannot get off first base and start the process unless they make considerable repairs and removal of asbestos.

Now there is a move on to test the pipes of the schools, because large numbers of old schools of course have lead pipes. They only had lead pipes in public buildings at the time these schools were built, so those lead pipes are deteriorating, of course, and lead in the water becomes a problem, a very serious problem, for children. We are just getting around to really making a survey of the old schools and testing to make certain that the levels of lead are not dangerous.

So the President's initiative on construction and his initiative to improve education, if you have children, even if they have the advantage of smaller class size, if they ingest enough lead, their brains are affected. One of the things lead does to your brain is certainly greatly decrease your capacity, your intellectual capacity. That has been clearly established in studies.

The President has some other initiatives beyond the wiring of the schools for computers and the ratio of classes. Child care at an early age, more Head Start. All of those same initiatives, by the way, appear, and I do not think they are parroting or plagiarizing the President. I think this report has been under way for some time. They come to the same conclusions, that you need to maximize opportunity in ways that are very concrete and very practical.

Let us take a look at what some of this Eisenhower Foundation, which is itself an update and review of the Kerner Commission report, the Kerner-Lindsey Commission report, let us take a look at some of the recommendations they are making. First you might be interested in a few items from the executive summary. For those people who are so much older than I am or younger than I am and do not remember the Kerner-Lindsey Commission report which talked about two societies, let us just review in their executive summary some of the things they say.

My point here is that public policy should be guided by a knowledge of history. I went all the way back to 232 years of slavery. That history is very pertinent as we make public policy decisions, the fact that slaves were denied an opportunity to accumulate wealth, the fact that slaves were treated like animals and an attempt was made to obliterate their souls. The soul is the intellect and the heart. A whole lot of things go into a soul. Laws were made, by the way, to punish anybody who taught slaves to read.

Let us come forward to 30 years ago when riots broke out in Detroit, in

Newark, Los Angeles and Philadelphia. New York under Lindsey's administration managed to avoid any major riots until finally in the spring of 1968 when Martin Luther King was assassinated, you could not hold back the anger and we did have riots break out in New York City following the assassination of Dr. Martin Luther King. The Kerner Commission came out with the following report that angered Lyndon Johnson a great deal:

"Our Nation is moving toward two societies, one black, one white, separate and unequal.

"What has happened in the 30 years since and where do we stand now? The Kerner Commission proposed remedies to racial, spatial and economic disparity. The civil rights movement of the 1960s and early 1970s brought about improvements that helped expand an African-American middle class. It is important to recognize the achievements made possible by the civil rights movement and by individual struggles of millions of African-Americans. The African-American middle class has expanded, as has African-American entrepreneurship. The proportion of African-Americans with white collar jobs has risen. There has been an enormous rise in the number of African-American mayors, other elected officials and police chiefs. The high school graduation rate among African-Americans is rising.

Yet in the 1970s, when technological change in the economy increased demand for high skilled and educated workers, jobs for the less skilled and educated became obsolete. The unemployed stayed behind, but more mobile middle-class African-Americans left core inner-city neighborhoods. Especially during the 1980s, labor market policies to provide training and jobs for the less skilled never materialized. In the words of Professor William Julius Wilson and his colleagues at the Kennedy School of Government at Harvard University, 'The exodus of working- and middle-class blacks from core inner-city neighborhoods enhanced the concentration effects of joblessness and poverty and removed important economic and social buffers that had softened the impact of macroeconomic changes in these vulnerable communities. During the decades of the 1970s and 1980s, conditions in inner-city ghettos went from bad to worse.'"

I am quoting from the executive summary of the report that was issued by the Eisenhower Commission, a 30-year update and review of the Kerner Commission report. That last statement which was made by a Ph.D. college professor might have been a little difficult to understand. In essence what he was saying, middle-class blacks, those who had the education and a little economic advantage, they moved away from the big cities. So you were left with a core of people in the inner city who were poor only. The least educated and the poorest were left to fend for themselves. The leadership class was

taken away. The activities, in many cases economic activities, entrepreneurship activities that the leadership class of blacks provided in the inner city also was taken away. In more plain, ordinary terms, that is what Dr. William Julius Wilson was saying.

To continue from the executive summary of this report:

"Today, while pundits and leaders talk of full employment, for the first time in the 20th century most adults in many inner-city neighborhoods are not working in a typical week."

Let me repeat that. Most adults in inner-city neighborhoods are unemployed. They are not working. It is not that they are not looking for jobs, because whenever you have a job opportunity, you have lines of hundreds of people who are looking to get those jobs. I think one of the most publicized incidents was the case in Chicago when they opened a new hotel and 4,000 people lined up for those jobs in long lines in the winter all around the block and throughout that area, lined up to get a few hundred jobs.

"Former Labor Secretary Ray Marshall estimates the real unemployment rate at about 15 percent, far higher than the official rate."

Certainly within my 11th Congressional District in Brooklyn, the 15 percent figure has been the rate for a long time.

"The Center for Community Change in Washington, D.C. estimates the jobs gap to be over 4,400,000 persons needing work. A high proportion are in the inner city. The consequences of high neighborhood joblessness are more devastating than those of high neighborhood poverty. When people are poor but employed they can better prevent family breakup, crime, drugs and other problems than when people are poor and jobless."

I come from a poor family, but my father always was employed. Sometimes he was laid off for short periods, sometimes he had no work for short periods, but basically my father could find work. He never earned more than the minimum wage, by the way. No matter what conditions were, even during the war, he never earned more than the minimum wage. But a family with a father who was employed, there was a great deal of stability in the fact that he was employed, no matter how menial the work was or how low the pay.

"Since the Kerner Commission there have been other important trends."

I want you to take note of the things that are said here. You hear them all the time.

"From 1977 to 1988, the incomes of the richest 1 percent in America increased by 120 percent and the incomes of the poorest fifth in America decreased by 10 percent during the time of supply-side tax breaks for the rich and against the poor."

Now, you might say, well, that happened to all people. But the 10 percent decrease took place among the poorest people and in the African-American

communities where you have the poorest people.

"In the words of conservative analyst Kevin Phillips, this meant that the rich got richer and the poor got poorer. The working class also got poorer. The middle class stayed about the same in absolute terms, so it, too, lost ground."

This is middle class white and black, but in the black community with a great concentration of poverty. And it is not stretching the truth to say 60 percent of African-Americans can be classified as the poor, economically poor.

"During the 1980s, child poverty increased by over 20 percent."

During the 1980s, following the Great Society of Lyndon Johnson and the progress made in the 1960s and the 1970s.

"During the 1980s, child poverty increased by over 20 percent, with racial minorities suffering disproportionately."

"Today, the top 1 percent of Americans has more wealth than the bottom 90 percent."

"Since the Kerner Commission, the U.S. has had the most rapid growth in wage inequality in the Western world, with racial minorities suffering disproportionately."

America's neighborhoods and schools are resegregating. Two-thirds of African-American students and three-fourths of Hispanic students now attend predominantly minority schools, one-third of each group in intensely segregated schools.

"In urban public schools in poor neighborhoods, more than two-thirds of children fail to reach even the basic level of national tests."

Recently we had a report about American students scoring lower than European students and Asian students on tests. Well, they did not even have a large number of African-American students take those tests. They do not begin to reach the level where they can even go and compete.

In our inner city schools, in the junior high schools in New York, they found in a study that none of the teachers teaching math and science in junior high school in the areas where the blacks and Hispanics live majored in math and science. They teach math and science, but they did not major in it.

So here you have reaffirmed and repeated again in this report, and I am reading from a report entitled "The Millennium Breach, Rich or Poor, Poorer and Racially Apart". This is in commemoration of the 30th anniversary of a National Advisory Commission on Civil Disorders, the Kerner-Lindsey Report.

They do offer a bit of recent history, which, when you couple it with history which goes back before the Emancipation Proclamation, should throw some light on the decisions we have to make with respect to opportunity, the provision of opportunity.

We say we want to provide opportunity, get rid of affirmative action

and provide opportunity. I do not want to get rid of affirmative action, but let us forget it for a while. I challenge all of those who want to provide opportunity to put their money and their resources where their mouth is and provide real opportunity.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GUTKNECHT of Minnesota (at the request of Mr. ARMEY of Texas) for today on account of illness.

Mr. SHIMKUS of Illinois (at the request of Mr. ARMEY of Texas) for today and the balance of the week on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TRAFICANT) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes today.

Mr. PALLONE, for 5 minutes today.

Mrs. MINK of Hawaii, for 5 minutes today.

Mr. FILNER, for 5 minutes today.

Mr. ENGEL, for 5 minutes today.

Mr. EDWARDS, for 5 minutes today.

Ms. BROWN of Florida, for 5 minutes today.

(The following Members (at the request of Mr. KIM) to revise and extend their remarks and include extraneous material:)

Mr. JONES, for 5 minutes today.

Mr. MILLER of Florida, for 5 minutes March 5.

Mr. RIGGS, for 5 minutes today and 5 minutes March 4 and 5.

Mr. METCALF, for 5 minutes today.

Mr. KINGSTON, for 5 minutes today and 5 minutes March 4.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. THUNE, for 5 minutes today.

(The following Member (at his own request) to revise and extend their remarks and include extraneous material:)

Mr. LARGENT, for 5 minutes today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SHAYS, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. TRAFICANT) and to include extraneous matter:)

Mrs. MINK of Hawaii.

Ms. WOOLSEY.

Mr. KUCINICH.

Mr. SERRANO.

Mr. SCHUMER.

Mrs. MCCARTHY of New York.

Mr. WAXMAN.

Mr. UNDERWOOD.

(The following Members (at the request of Mr. KIM) and to include extraneous matter:)

Mr. OXLEY.

Mr. RADANOVICH.

Mr. QUINN.

Mr. BEREUTER.

Mr. DIAZ-BALART.

Mr. PAXON.

Mr. SOLOMON.

Mr. RAMSTAD.

Mr. ROHRABACHER.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. SKEEN.

Mr. GINGRICH.

Mr. HAMILTON.

Mr. LAZIO of New York.

Mr. KING in two instances.

Mr. FROST.

Mr. PAXON.

Mr. UNDERWOOD.

Mr. WAXMAN.

Mr. ROHRABACHER.

Mr. PORTMAN.

Mr. GUTKNECHT.

Mr. LINDER.

Mr. SMITH of Michigan.

Mr. KIND.

Ms. ROS-LEHTINEN.

Mr. WEYGAND.

Mr. ACKERMAN.

Mr. BERRY.

Ms. EDDIE BERNICE JOHNSON of Texas.

Mr. PACKARD.

Mr. NEAL.

Mrs. MCCARTHY of New York.

Ms. DUNN.

Ms. BROWN of Florida.

Mr. FRANKS of New Jersey.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 4, 1998, at 10 a.m.

SUPPLEMENTARY NOTICE OF PROPOSED RULEMAKING—EXTENSION OF COMMENT PERIOD

U.S. CONGRESS,
OFFICE OF COMPLIANCE,

Washington, DC, February 27, 1998.

Hon. NEWT GINGRICH,
Speaker of the House, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 303 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1383, I am issuing the enclosed Supplementary Notice of Proposed Rulemaking—Extension of Comment Period.

I am extending the comment period provided in a Supplementary Notice of Proposed Rulemaking that was published pursuant to section 303 of the CAA in the CONGRESSIONAL RECORD on January 28, 1998, and I would ap-

preciate it if you would have this enclosed extension published in the CONGRESSIONAL RECORD.

Sincerely yours,

RICKY SILBERMAN,
Executive Director.

Enclosure.

OFFICE OF COMPLIANCE

The Congressional Accountability Act of 1995: Amendments to Procedural Rules

SUPPLEMENTARY NOTICE OF PROPOSED RULEMAKING—EXTENSION OF COMMENT PERIOD

Summary: On October 1, 1997, the Executive Director of the Office of Compliance ("Office") published a Notice of Proposed Rulemaking ("NPRM") to amend the Procedural Rules of the Office of Compliance to cover the General Accounting Office and the Library of Congress and their employees, 143 CONG. REC. S10291 (daily ed. Oct. 1, 1997), and on January 28, 1998, the Executive Director published a Supplementary Notice of Proposed Rulemaking requesting further comment on issues raised in comments submitted by the Library of Congress, 144 CONG. REC. S86 (daily ed. Jan. 28, 1998).

At the request of a commenter, the comment period stated in the Supplementary Notice of Proposed Rulemaking has been extended for two weeks, until March 13, 1998.

Dates: Comments are due no later than March 13, 1998.

Addresses: Submit comments in writing (an original and 10 copies) to the Executive Director, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, D.C. 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile ("FAX") machine to (202) 426-1913. This is not a toll-free call.

Availability of comments for public review: Copies of comments received by the Office will be available for public review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, D.C., Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For further information contact: Executive Director, Office of Compliance, at (202) 724-9250 (voice), (202) 426-1912 (TTY). This Notice will also be made available in large print or braille or on computer disk upon request to the Office of Compliance.

Signed at Washington, D.C., on this 27th day of February, 1998.

RICKY SILBERMAN,
Executive Director,
Office of Compliance.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

7669. A letter from the Assistant Administrator for Pesticides and Toxic Substances, Environmental Protection Agency, transmitting a final rule under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), pursuant to 7 U.S.C. 136w(a)(4); to the Committee on Agriculture.

7670. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to the Republic of Korea (Transmittal No. 07-98); to the Committee on International Relations.

7671. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-254, "Dave Clarke School

of Law Designation Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7672. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-261, "Drug House Abatement Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7673. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-260, "Department of Corrections Criminal Background Investigation Authorization Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7674. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-259, "Check Identification Fraud Prevention Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7675. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-256, "Omnibus Regulatory Reform Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7676. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-257, "Collateral Reform Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7677. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-263, "Illegal Dumping Enforcement Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7678. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-262, "Life Insurance Special Contingency Reserve Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7679. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-264, "Advisory Neighborhood Commissions Quorum Definition Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7680. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-265, "Defined Contribution Transition Vesting Clarification Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7681. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-267, "Uniform Interstate Family Support Temporary Amendment Act of 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7682. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-266, "New Washington Convention Center Neighborhood Stability Act 1998" received February 27, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

7683. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the

report in compliance with the Government in the Sunshine Act for 1997, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

7684. A letter from the President and Chief Executive Officer, Overseas Private Investment Corporation, transmitting the FY 1999 Annual Performance Plan for the Overseas Private Investment Corporation (OPIC), pursuant to Public Law 103—62; to the Committee on Government Reform and Oversight.

7685. A letter from the Executive Director, Office of Compliance, transmitting supplementary notice of proposed rulemaking (extension of comment period) for publication in the Congressional RECORD, pursuant to Public Law 104—1, section 303(b) (109 Stat. 28); jointly to the Committees on Education and the Workforce and House Oversight.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LEACH: Committee on Banking and Financial Services. Supplemental report on H.R. 217. A bill to amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively (Rept. 105-407 Pt. 2).

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 992. A bill to end the Tucker Act shuffle; with amendments (Rept. 105-424). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 2369. A bill to amend the Communications Act of 1934 to strengthen and clarify prohibitions on electronic eavesdropping, and for other purposes; with an amendment (Rept. 105-425). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 376. Resolution providing for consideration of the bill (H.R. 856) to provide a process leading to full self-government for Puerto Rico (Rept. 105-426). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. HYDE (for himself and Mr. CONYERS):

H.R. 3303. A bill to authorize appropriations for the Department of Justice for fiscal years 1999, 2000, and 2001; to authorize appropriations for fiscal years 1999 and 2000 to carry out certain programs administered by the Department of Justice; to amend title 28 of the United States Code with respect to the use of funds available to the Department of Justice, and for other purposes; to the Committee on the Judiciary.

By Mr. COLLINS:

H.R. 3304. A bill to amend the Internal Revenue Code of 1986 to establish a 2-year recovery period for depreciation of computers and peripheral equipment used in manufacturing; to the Committee on Ways and Means.

By Mr. COOK:

H.R. 3305. A bill to require the Secretary of the Treasury to report quarterly to the Congress on the programs led by the International Monetary Fund to financially sta-

bilize East Asian countries; to the Committee on Banking and Financial Services.

By Mr. ENGLISH of Pennsylvania:

H.R. 3306. A bill to amend the Higher Education Act of 1965 to increase the maximum Pell grant from \$3,000 to \$5,000; to the Committee on Education and the Workforce.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. WELDON of Pennsylvania, and Mr. PAUL):

H.R. 3307. A bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for contributions to education individual retirement accounts, to increase the amount which may be contributed to such accounts, to permit such accounts to be used to pay elementary and secondary education expenses and training expenses of older individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania:

H.R. 3308. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for taxpayers with certain persons requiring custodial care in their households; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. WELDON of Pennsylvania, and Mr. PAUL):

H.R. 3309. A bill to amend the Internal Revenue Code of 1986 to permit private educational institutions to maintain qualified tuition programs which are comparable to qualified State tuition programs, and for other purposes; to the Committee on Ways and Means.

By Mr. MCINTOSH (for himself, Mr. KUCINICH, Mr. FROST, Ms. WOOLSEY, Mr. GORDON, Mr. HAMILTON, Mr. HASTERT, Mr. SCARBOROUGH, Mr. SUNUNU, Mr. SESSIONS, Mr. SHAYS, Mr. MCHUGH, Mr. DAVIS of Virginia, Mr. MILLER of Florida, Mr. LIVINGSTON, Mr. DELAY, Mr. ARMEY, Mr. BOEHNER, Mr. THORNBERRY, Mr. BARR of Georgia, Ms. DUNN of Washington, and Mr. SNOWBARGER):

H.R. 3310. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses; to the Committee on Government Reform and Oversight, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAYNE (for himself, Mr. OWENS, Mr. FATTAH, Mr. MARTINEZ, Mr. UNDERWOOD, Mr. FORD, Ms. SANCHEZ, Mr. LEWIS of Georgia, and Mr. KUCINICH):

H.R. 3311. A bill to amend the Higher Education Act of 1965 to improve international education at postsecondary institutions; to the Committee on Education and the Workforce.

By Mr. QUINN (for himself, Mr. LATHAM, Mr. LAFALCE, Mr. RAHALL, Mr. WALSH, and Mr. MCHUGH):

H.R. 3312. A bill to establish the Federal Aviation Research and Evaluation Board; to the Committee on Transportation and Infrastructure, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROHRABACHER:

H.R. 3313. A bill to amend the Federal Election Campaign Act of 1971 to provide for partial removal of limitations on contributions

to candidates whose opponents exceed personal contribution limitations in an election; to the Committee on House Oversight.

By Mr. SHAW (for himself, Mr. CAMP, Mr. ENGLISH of Pennsylvania, Mr. HAYWORTH, and Mr. WATKINS):

H.R. 3314. A bill to provide grants to States to encourage fathers to become better parents; to the Committee on Ways and Means.

By Mr. SNOWBARGER:

H.R. 3315. A bill to amend the Federal Election Campaign Act of 1971 to remove the limitations on amounts that may be contributed to a Federal election campaign, to require political parties to disclose transfers of certain non-Federal funds, to promote the expedited availability of reports submitted to the Federal Election Commission, to prohibit individuals not qualified to register to vote in elections for Federal office from making campaign contributions, and for other purposes; to the Committee on House Oversight.

By Mr. WISE:

H.R. 3316. A bill to suspend temporarily the duty on IN-W4280; to the Committee on Ways and Means.

By Mr. HILLIARD:

H. Con. Res. 231. Concurrent resolution recognizing the National Black Law Students Association for its role in the professional development of law students, and for other purposes; to the Committee on the Judiciary.

By Mr. MALONEY of Connecticut (for himself, Mr. MANTON, Mr. NEAL of Massachusetts, Mr. KING of New York, Mr. GILMAN, Mr. ENGEL, Mr. MENENDEZ, Mr. ACKERMAN, Mr. BONIOR, Mr. CONYERS, Mr. DOYLE, Mr. FOLEY, Mr. GEJDENSON, Mr. HOLDEN, Mr. JEFFERSON, Ms. KAPTUR, Mrs. KELLY, Mr. LANTOS, Mr. LIPINSKI, Mr. MCDERMOTT, Mrs. MALONEY of New York, Mr. MARKEY, Mr. MEEHAN, Mr. OLVER, Mr. PALLONE, Mr. PASCRELL, Mr. PAYNE, Mr. TOWNS, and Mrs. KENNELLY of Connecticut):

H. Con. Res. 232. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to honor the 150th anniversary of the emigration of over 1,000,000 people from Ireland to the United States to escape the Irish Potato Famine, and to honor the contributions these immigrants and their descendants made to the United States; to the Committee on Government Reform and Oversight.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. NETHERCUTT.
H.R. 59: Mr. ARMEY, Mr. CANADY of Florida, and Mr. BARR of Georgia.

H.R. 158: Mr. SHADEGG and Mr. KIM.

H.R. 169: Mr. BARCIA of Michigan.

H.R. 464: Mr. COOK and Mr. SKAGGS.

H.R. 465: Mr. LAMPSON.

H.R. 758: Mr. THORNBERRY.

H.R. 859: Mr. BLUNT.

H.R. 880: Mr. BARTLETT of Maryland, Mr. MICA, and Mr. EVERETT.

H.R. 939: Mr. COYNE, Ms. DUNN of Washington, Mr. KLECZKA, Mr. NEAL of Massachusetts, Mr. BARRETT of Wisconsin, of Mr. SHAYS.

H.R. 979: Mr. EVANS, Mr. BROWN of Ohio, Mr. HERGER, Mr. RAMSTAD, Mr. CAMPBELL, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 981: Mr. SCHIFF, Mr. HEFNER, Mr. LAMPSON, and Ms. KILPATRICK.

H.R. 1009: Mr. REDMOND.

H.R. 1121: Mr. WELDON of Florida.

H.R. 1151: Mr. KNOLLENBERG, Mr. TRAFICANT, Mr. PETRI, Mr. CRAMER, Ms. MCCARTHY

of Missouri, Mr. WELDON of Florida, Mr. HALL of Ohio, and Mr. FORBES.

H.R. 1231: Mr. MASCARA, Mr. SPRATT, Mr. FORBES, Mr. CALVERT, Mr. COOK, Mr. CLAY, Mr. UNDERWOOD, Mr. HASTINGS of Florida, and Mrs. KELLY.

H.R. 1241: Mr. DOOLEY of California, Mr. CALVERT, and Ms. HARMAN.

H.R. 1378: Mr. BATEMAN.

H.R. 1415: Mr. COYNE.

H.R. 1515: Mr. INGLIS of South Carolina.

H.R. 1605: Mr. MILLER of California.

H.R. 1635: Mr. KENNEDY of Massachusetts, Mr. SOUDER, Mr. WALSH, Mr. BROWN of California, Mr. MANZULLO, and Mr. PITTS.

H.R. 1715: Mr. TALENT.

H.R. 1737: Mr. CAMP and Mr. PASCRELL.

H.R. 1766: Mr. GOODLATTE, Mr. HEFNER, Mr. FAZIO of California, Mrs. TAUSCHER, Mr. GALLEGLY, Mr. DEAL of Georgia, Mr. MANZULLO, Mr. WYNN, and Mr. ROTHMAN.

H.R. 1823: Mr. MARTINEZ.

H.R. 1872: Mr. PASTOR.

H.R. 1891: Mr. SAM JOHNSON and Mr. SPRATT.

H.R. 1968: Mr. FORD and Ms. STABENOW.

H.R. 1972: Mr. BARCIA of Michigan.

H.R. 2052: Ms. ROYBAL-ALLARD.

H.R. 2088: Mr. PICKERING and Mr. WALSH.

H.R. 2094: Mr. DEFazio.

H.R. 2173: Mr. BARCIA of Michigan.

H.R. 2185: Mr. QUINN.

H.R. 2228: Mr. RAHALL and Ms. LOFGREN.

H.R. 2273: Ms. PELOSI, Mrs. JOHNSON of Connecticut, Mr. JACKSON, Mr. TAUZIN, Mr. MARKEY, Mr. VENTO, Mr. SKELTON, Mr. SKEEN, Mr. FORBES, Mr. HALL of Texas, Mr. LAMPSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MORAN of Virginia, Ms. NORTON, Mr. STOKES, Mr. WISE, Mr. SANFORD, Mr. CRAMER, Ms. DEGETTE, Mr. JOHN, Mr. MILLER of California, Mr. YATES, Mr. HOYER, Mr. TIERNEY, Mr. ADAM SMITH of Washington, Ms. STABENOW, Mr. MCDERMOTT, Mr. BISHOP, Mr. DICKS, Mr. KENNEDY of Massachusetts, Ms. HARMAN, and Mr. ROTHMAN.

H.R. 2284: Mr. SOLOMON and Mr. ROHR-ABACHER.

H.R. 2290: Mr. KUCINICH.

H.R. 2305: Mr. REGULA.

H.R. 2374: Mr. MALONEY of Connecticut and Mr. DEFazio.

H.R. 2377: Mr. BUNNING of Kentucky and Mr. CALVERT.

H.R. 2408: Mr. OLVER.

H.R. 2456: Mr. PALLONE, Mr. PEASE, and Mrs. MALONEY of New York.

H.R. 2457: Mr. BILBRAY and Mr. STUPAK.

H.R. 2488: Mr. CALVERT.

H.R. 2495: Mr. MATSUI.

H.R. 2515: Mr. STUPAK and Mr. THUNE.

H.R. 2524: Ms. WOOLSEY.

H.R. 2547: Mr. DEFazio, Mr. MCGOVERN, and Mr. DEUTSCH.

H.R. 2627: Mr. SUNUNU.

H.R. 2639: Mr. BOEHLERT and Mr. BACHUS.

H.R. 2667: Mr. PAPPAS.

H.R. 2695: Mr. WEXLER and Mr. WAXMAN.

H.R. 2714: Mr. PAXON, Mr. COYNE, and Mr. OLVER.

H.R. 2736: Mr. HASTINGS of Florida.

H.R. 2748: Mr. HINCHEY.

H.R. 2775: Mr. PETERSON of Pennsylvania and Mr. ENGLISH of Pennsylvania.

H.R. 2819: Mr. FAZIO of California, Ms. RIVERS, Mr. BERMAN, and Mr. DREIER.

H.R. 2821: Mr. MOLLOHAN, Mr. SANDLIN, Mr. SOLOMON, Mr. EVANS, Mr. HULSHOF, Mr. HEFLEY, Mr. BARCIA of Michigan, and Mr. EHLERS.

H.R. 2829: Mr. ANDREWS, Ms. BROWN of Florida, Mr. COOKSEY, Mr. JOHN, Mr. KIND of Wisconsin, Mr. MALONEY of Connecticut, Mr. MCGOVERN, Mr. METCALF, Mr. PICKERING, Mr. SANDERS, and Mr. SHAYS.

H.R. 2864: Mr. HAYWORTH.

H.R. 2869: Mr. HAYWORTH.

H.R. 2870: Ms. WOOLSEY and Mr. GUTIERREZ.

H.R. 2871: Mr. HAYWORTH.

H.R. 2873: Mr. HAYWORTH.

H.R. 2875: Mr. HAYWORTH.

H.R. 2877: Mr. HAYWORTH.

H.R. 2879: Mr. HAYWORTH.

H.R. 2881: Mr. HAYWORTH.

H.R. 2912: Mr. PASCRELL.

H.R. 2914: Mr. EDWARDS, Mr. KENNEDY of Massachusetts, and Mr. BARCIA of Michigan.

H.R. 2923: Mr. SEXTON, Mrs. MORELLA, and Mr. QUINN.

H.R. 2955: Mr. OBERSTAR and Mr. DAVIS of Florida.

H.R. 2992: Mr. BOEHNER, Mr. GIBBONS, and Mr. DOOLITTLE.

H.R. 3008: Mr. GEJDENSON, Mrs. MYRICK, Mr. WEXLER, Mr. RAHALL, Mr. SISISKY, Mr. CLEMENT, and Mr. MARTINEZ.

H.R. 3048: Mr. KLUG, Mr. COYNE, Mr. NEAL of Massachusetts, and Mr. MALONEY of Connecticut.

H.R. 3049: Mr. MENENDEZ.

H.R. 3050: Mr. STUPAK, Mr. PETERSON of Minnesota, Ms. WOOLSEY, Mr. EHLERS, Mr. PORTER, Mr. OLVER, Mr. GUTIERREZ, Mr. NEAL of Massachusetts, Mr. GREEN, Mr. SAWYER, Mr. WEXLER, Mr. DAVIS of Virginia, and Mr. BROWN of Ohio.

H.R. 3090: Mr. TRAFICANT.

H.R. 3094: Mr. PEASE.

H.R. 3126: Ms. BROWN of Florida.

H.R. 3127: Mr. FOLEY, Ms. HOOLEY of Oregon, Ms. WOOLSEY, Mr. LATHAM, Mr. CRAMER, Mr. CLYBURN, Mr. FILNER, Mr. WAMP, Mr. HEFLEY, Mr. NEY, Mr. TURNER, Mr. PETERSON of Minnesota, Mr. RAHALL, Mr. ETHERIDGE, Mr. BOUCHER, Mr. BENTSEN, Mr. HAYWORTH, and Mrs. MINK of Hawaii.

H.R. 3131: Ms. WOOLSEY and Mr. ENGLISH of Pennsylvania.

H.R. 3134: Ms. BROWN of Florida, Mr. RAHALL and Mr. WISE.

H.R. 3143: Ms. WOOLSEY, Mr. MCGOVERN, and Mr. CALVERT.

H.R. 3149: Mr. DOOLITTLE and Mr. PAPPAS.

H.R. 3151: Mr. DOOLITTLE and Mr. PAPPAS.

H.R. 3152: Mr. BACHUS and Mrs. MYRICK.

H.R. 3154: Mr. DAVIS of Florida and Mr. WEXLER.

H.R. 3158: Mr. HUNTER, Mr. SMITH of New Jersey, Mr. CALVERT, Mr. SOLOMON, and Mr. BURTON of Indiana.

H.R. 3175: Mr. DOOLITTLE.

H.R. 3176: Mr. BACHUS.

H.R. 3181: Mr. WAXMAN.

H.R. 3208: Mr. CONYERS and Mrs. CHENOWETH.

H.R. 3216: Mr. CONYERS, Mr. FILNER, Mr. FROST, and Mr. EVANS.

H.R. 3217: Mr. HERGER.

H.R. 3218: Mr. COBURN.

H.R. 3234: Mr. CALVERT, Mr. HASTINGS of Washington, Mr. BURR of North Carolina, Mr. CANNON, and Mr. SHIMKUS.

H.R. 3246: Mr. CUNNINGHAM and Mr. KNOLLENBERG.

H.R. 3248: Mr. TIAHRT, Mr. HOSTETTLER, Mr. HUTCHINSON, Mr. GIBBONS, and Mr. DOOLITTLE.

H.R. 3249: Ms. NORTON and Mr. SMITH of Texas.

H.R. 3262: Ms. WATERS, Mr. STOKES, Mr. FRANK of Massachusetts, and Mr. CUMMINGS.

H.R. 3265: Mr. HAYWORTH, Mr. SHAYS, Mrs. CUBIN, Mr. WICKER, Mr. HOSTETTLER, Mr. BASS, Mr. EHRLICH, and Mr. BALDACC.

H.R. 3269: Mr. NEAL of Massachusetts, Mr. HILLIARD, Mr. FRANK of Massachusetts, Mr. SANDERS, and Mr. BOUCHER.

H.R. 3287: Ms. DELAURO.

H.R. 3290: Mr. LAZIO of New York and Mr. ENGLISH of Pennsylvania.

H.R. 3291: Mr. DAVIS of Virginia and Mr. SNOWBARGER.

H.R. 3297: Mr. POMBO, Mr. LEWIS of California, and Mr. HAYWORTH.

H. Con. Res. 141: Mr. CALVERT.

H. Con. Res. 188: Mr. FRANKS of New Jersey, Ms. KAPTUR, Mr. PAYNE, Mr. BLAGOJEVICH, and Mr. CALVERT.

H. Con. Res. 203: Mr. BILIRAKIS, Mr. ENGLISH of Pennsylvania, Mr. DOYLE, Mrs. THURMAN, and Mr. KANJORSKI.

H. Con. Res. 210: Mr. DAVIS of Florida.

H. Con. Res. 211: Mr. BOSWELL, Mr. REDMOND, Mr. MCCOLLUM, Mr. SESSIONS, Mr. SNOWBARGER, and Mr. PORTER.

H. Res. 16: Ms. SANCHEZ.

H. Res. 212: Mr. BACHUS, Mr. BARRETT of Wisconsin, Mr. BEREUTER, Mr. BRYANT, Mr. CLYBURN, Mr. ENSIGN, Mr. FROST, Mrs. KELLY, Ms. KILPATRICK, Ms. HARMAN, Ms. LOFGREN, Mr. McDERMOTT, Mr. NETHERCUTT, Ms. ROS-LEHTINEN, Mr. RUSH, and Mr. TAYLOR of North Carolina.

H. Res. 304: Mr. YOUNG of Alaska.

H. Res. 361: Mr. ROHRBACHER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2495: Mr. WATT of North Carolina.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

On February 25, 1998, the following Member added his name to the following discharge petition:

Petition 1 by Mr. YATES on H. Res. 141: GEORGE E. BROWN, JR.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 856

OFFERED BY: MR. SERRANO

AMENDMENT NO. 2: In section 5(a), add at the end the following paragraph:

(3) UNITED STATES CITIZENS BORN IN PUERTO RICO ELIGIBLE TO VOTE.—Notwithstanding paragraphs (1) and (2), an individual residing outside of Puerto Rico shall be eligible to vote in the referendum held under this Act if that individual—

(A) is a United States citizen because of that individual's birth in Puerto Rico; and

(B) would be eligible to vote in such referendum but for that individual's residency outside of Puerto Rico.

H.R. 856

OFFERED BY: MR. SOLOMON

AMENDMENT NO. 3: At the end of section 2, add the following paragraph:

(16) In 1996, the United States House of Representatives overwhelmingly declared that "the official language of the Federal Government is English". According to the 1990 United States Census, less than 24 percent of the citizens of Puerto Rico speak English fluently. The enhancement of English as the official language of Puerto Rico is consistent not only with this statement of policy, but also with the preservation of our Nation's unity in diversity and the prevention of divisions along linguistic lines. Proficiency in the English language is necessary for all citizens to enjoy the full rights and benefits of their citizenship as guaranteed by the Constitution and to contribute most effectively to the Nation in all aspects. Conducting the business of Federal and State governments in English is the best way to promote efficiency and fairness to every citizen. Only proficiency in English can provide all Americans the enjoyment of the rights and benefits of full participation in the American economy and union.

Strike subsection (b) of section 3 and insert the following new subsection:

(b) OFFICIAL LANGUAGE.—The official language of the Federal Government is English. The legislature of Puerto Rico has established a bilingual policy by making both Spanish and English official languages of Puerto Rico, but has continued to operate its government solely in Spanish, as the majority of the people in Puerto Rico are not proficient in English. In the event that the referendum held under this Act results in approval of a request to Congress that Puerto Rico be admitted to the Union as a State and the Congress approves such statehood, English will be the sole official language of all Federal Government activities in Puerto Rico and, unless otherwise provided by generally applicable Federal law, all communications with the Federal Government by the Government or people of Puerto Rico will be in English. This Act, the procedures authorized by this Act, and the possible accession of Puerto Rico to statehood do not create or alter any rights of a person to government services in languages other than English.

In section 4(a), strike paragraph (7) of subparagraph C of the referendum language and insert the following new paragraph:

"(7) English is the official language of all business and communication of the Federal Government of the United States and all communications with the Federal Government will be in English unless generally applicable Federal law provides otherwise. Puerto Rico, as a State, promotes English as the official language of the State government, courts, and agencies. English is the language of instruction in public schools."

Strike subparagraph (C) of section 4(b)(1) and insert the following new subparagraph:

(C) Additionally, in the event of a vote in favor of United States sovereignty leading to statehood, the President shall include in the transition plan provided for in this Act that the Federal and State governments implement programs and incentives to promote the acquisition and usage of English by the citizens of Puerto Rico, including but not limited to, teaching in English in public schools, the availability of fellowships and scholarships to increase the opportunities of the people of Puerto Rico to learn to speak, read, write, and understand English, and the provision of educational instruction in English to persons not in schools.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 4: Strike section 2 and redesignate the succeeding sections accordingly.

In section 1(b), in the table of contents, strike the item relating to section 2 and redesignate the succeeding items accordingly.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 5: In section 2, in paragraph (2), strike "Consistent with establishment of United States nationality for inhabitants of Puerto Rico under the Treaty of Paris,".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 6: In section 2(3), strike "including" and insert "and".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 7: In the first sentence of section 2(4), insert "to be approved by the people of Puerto Rico," after "constitution".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 8: In the last sentence of section 2(4)—

(1) strike "remains an unincorporated territory"; and

(2) insert before the period the following: "instead the Commonwealth has a unique relationship based on a bilateral compact".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 9: In the second sentence of section 2(5), strike "the territory" and insert "Puerto Rico".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 10: In the first sentence of section 2(7)—

(1) insert "per curiam" and "The";

(2) strike "(651) confirmed" and insert "(651) expressed"; and

(3) strike "Constitution; and" and insert "Constitution on matters of Federal programs; nevertheless".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 11: In the last sentence of section 2(7), strike "status which is" and all that follows through the period and insert the following: "status. However, the United States Supreme Court has never directly addressed the nature of the political status of Puerto Rico.".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 12: In section 2(10), strike the second sentence.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 13: In section 2(14), strike "United States citizens live in the islands of Puerto Rico, which" and insert "Puerto Ricans who are United States citizens".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 14: In section 2(15), strike "status" and all that follows through the period and insert "status essentially consistent with United Nations Resolution 1541(XV)".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 15: In section 3(a), strike "the people of the territory" and insert "Puerto Ricans".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 16: In section 3, redesignate subsection (b) as subsection (c) and insert after subsection (a) the following:

(b) NONRESIDENT PUERTO RICANS.—(1) A substantial number of the Puerto Rican people reside outside of Puerto Rico, mostly in the several States.

(2) During any year, a large number of Puerto Ricans live in one of the several States for part of the year and in Puerto Rico for part of the year.

(3) Since the referendum held under this Act may lead to a final disposition of the political status of Puerto Rico, it is of the utmost importance that Puerto Ricans who are United States citizens residing outside of Puerto Rico be permitted to vote in such referendum.

(4) Congress recognizes the right of Puerto Ricans residing outside of Puerto Rico to vote in any referendum held under this Act and requests that the Electoral Commission of Puerto Rico to devise methods and procedures for such Puerto Ricans (including those who were born in Puerto Rico or who have at least one parent who was born in Puerto Rico) to register for and vote in absentia in any referendum held under this Act.

(5) Congress authorizes and encourages all State governments and Federal agencies to

cooperate with and assist the Electoral Commission of Puerto Rico in achieving the goals described in paragraphs (3) and (4).

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 17: In section 4(a), amend paragraph (7) of the referendum language for statehood to read as follows:

"(7) Spanish is an official language of Puerto Rico and its only vernacular language and as such is the official language of business and communication—

"(A) in the State government, courts, schools, and agencies; and

"(B) in Federal courts and agencies when such courts and agencies are acting in or with regard to Puerto Rico."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 18: In the second sentence of section 3(b)—

(1) strike "rather than English is currently the predominant language" and insert "is the vernacular language";

(2) strike "the majority of"; and

(3) strike "Puerto Rico; and that Congress" and all that follows through the period and insert "Puerto Rico."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 19: At the end of the bill, add the following new section:

SEC. 8. LANGUAGE USED IN FEDERAL COURT IN PUERTO RICO.

English and Spanish shall be the official languages of business and communication in the Federal courts in Puerto Rico.

In section 1(b), in the table of contents, add the following item at the end:

Sec. 8. Language used in Federal court in Puerto Rico.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 20: At the end of the bill, add the following new section:

SEC. 8. LANGUAGE USED IN FEDERAL COURT IN PUERTO RICO.

English and Spanish shall be the official languages of business and communication in the Federal courts in Puerto Rico in any proceeding in which a party speaks fluent Spanish and does not speak fluent English.

In section 1(b), in the table of contents, add the following item at the end:

Sec. 8. Language used in Federal court in Puerto Rico.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 21: In section 4(a), insert after paragraph (6) of the referendum language for Statehood the following new paragraph (and redesignate the succeeding paragraphs accordingly):

"(7) Notwithstanding the Amateur Sports Act of 1978, Puerto Rico retains its separate Olympic Committee and ability to compete under its own flag and national anthem in international athletic competitions, even against the United States."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 22: In section 4(a), insert after paragraph (6) of the referendum language for Statehood the following new paragraph (and redesignate the succeeding paragraphs accordingly):

"(7) Puerto Rico may continue to have its own representative in international beauty pageants in competition with a representative of the United States."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 23: In section 4(a)(1)(A), strike "10 years" and insert "180 days".

Strike section 4(b)(1)(C).

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 24: In section 4(a), after paragraph (6) of the referendum language for statehood, insert the following new paragraphs (and redesignate the succeeding paragraphs accordingly):

"(7) Section 30A of the Internal Revenue Code of 1986 will continue in effect for 20 years after Puerto Rico becomes a State or until the State of Puerto Rico achieves the same per capita income as the State with the next lowest per capita income.

(8) The internal revenue laws of the United States will not apply to residents of the State of Puerto Rico until such time as the State of Puerto Rico achieves the same per capita income as the State with the next lowest per capita income.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 25: In section 7(c), add at the end the following:

No agency or instrumentality of the Government of the Commonwealth of Puerto Rico, except the Commonwealth Elections Commission, may directly or indirectly use funds made available by this Act. Amounts made available by this Act and by the Puerto Rico legislature for purposes of this Act which are used in media shall be distributed equitably among all major newspapers, radio stations, and television stations in Puerto Rico."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 26: In section 4, redesignate subsection (a) as subsection (b) and insert before subsection (b), as so designated, the following new subsection (and redesignate the succeeding subsections accordingly):

(a) APPROVAL OF ACT.—Notwithstanding any other provision of this Act, prior to holding any referendum under this Act, this Act must be approved by a majority of the qualified voters of Puerto Rico through an islandwide referendum to be held in accordance with the laws of Puerto Rico.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 27: At the end of section 2, add the following new paragraph:

(16) According to the 1990 decennial census of population, Puerto Rico's population, 3,522,037, is greater than the population of 26 of the several States.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 28: At the end of section 2, add the following new paragraph:

(16) In the 50 States of the Union, there are currently approximately 3,300,000 Puerto Ricans who maintain a very close relationship with their relatives in Puerto Rico and who consider themselves to be part of the Puerto Rican nation.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 29: At the end of section 2, add the following new paragraph:

(16) On November 18, 1997, the Supreme Court of Puerto Rico decided in *Ramirez de Ferrer v. Mari Bras*, CT-96-14, that there exists a Puerto Rican citizenship which is "separate and distinct" from the United States citizenship and that persons born in Puerto Rico who are Puerto Rican citizens may not be denied the right to vote in Puerto Rico even if they are not United States citizens.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 30: At the end of the bill, add the following new section:

SEC. 8. NONINCORPORATION.

Nothing in this Act shall be interpreted to make Puerto Rico an incorporated territory of the United States.

Amend the table of contents by adding at the end the following new item:

Sec. 8. Nonincorporation.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 31: In section 4(a) strike "A. COMMONWEALTH" and all that follows through "(b) TRANSITION STAGE" and insert the following:

"(A) COMMONWEALTH.—If you agree, mark here _____.

"(B) INDEPENDENCE.—If you agree, mark here _____.

"(C) STATEHOOD.—If you agree, mark here _____.

(b) TRANSITION STAGE

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 32: Strike the last sentence of section 2(7), and insert the following:

The courts have also recognized the existence of a unique political relationship created by the peoples of Puerto Rico and the United States. The United States Supreme Court has never addressed directly the nature of the political status of Puerto Rico.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 33: In the last sentence of section 2(5), strike "the territory" and insert "Puerto Rico".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 34: Strike the last sentence in section 2(4).

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 35: In the first sentence of section 2(4), strike "instituting" and all that follows through the period and insert "Puerto Rico to adopt its own constitution."

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 36: At the end of section 2, add the following paragraph: (16) By providing for the people of Puerto Rico to express their preference as to its permanent political status, Congress is aware that Puerto Rico is sociologically and culturally a Caribbean and Latin-American nation, formed by a blend of European, African, and native ethnics with distinctive culture which, unlike the several States, has Spanish as a common language. According to the 1990 decennial census of population, only 21,000 persons born in the several States live in Puerto Rico.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 37: In section 4(a)—
(1) strike "'B. SEPARATE SOVEREIGNTY'" AND INSERT "'B. INDEPENDENCE AND ASSOCIATED REPUBLIC'";

(2) in the matter before paragraph (1) of the referendum language for independence and associated republic (as amended by paragraph (1)), strike "separate sovereignty in the form of independence or free association" and insert "independence or associated republic"; and

(3) in paragraph (7) of the referendum language for independence and associated republic (as amended by paragraph (1)), strike "a free association" and insert "an associated republic".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT No. 38: In the heading of section 5, strike "INCLUDING INCONCLUSIVE REFERENDUM".

Strike section 5(c).

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 39: Strike section 7 (and amend the table of contents accordingly).

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 40: Strike all after 1(a) and insert the following:

(b) SUBMISSION OF PETITION.—The 3 main political parties in Puerto Rico may submit a unanimous petition to Congress requesting that Congress provide for a referendum to be held by the people of Puerto Rico to choose among options fully described in such petition.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 41: At the end of the bill insert the following (and amend the table of contents accordingly):

SEC. 8. SUNSET PROVISION.

This Act shall cease to have effect 10 years after the date of enactment.

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 41: In section 2(14), strike "at the southeastern-most boundary of our Nation,".

H.R. 856

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 43: In the second sentence of section 3(b), strike "and that Congress has the authority to expand existing English language requirements in the Commonwealth of Puerto Rico".

H.R. 856

OFFERED BY: MR. ROMERO-BARCELÓ

AMENDMENT NO. 44: Page 1, after line 9, add the following:

The provisions of this paragraph shall be subject to the non-resident voting qualifications, eligibility requirements, and procedures established by the Commonwealth Legislature pursuant to the electoral laws of Puerto Rico, and votes cast in any referendum held under this Act by persons eligible to vote pursuant to this paragraph shall be counted independently from other votes cast and shall not be considered in determining which status option has received a majority of votes in such referendum.

H.R. 856

OFFERED BY: MR. SCHUMER

AMENDMENT NO. 45: In section 4(a), strike paragraph (4) of the referendum language for separate sovereignty, and insert the following:

"(4) the Constitution and laws of the United States no longer apply in Puerto Rico, and United States sovereignty in Puer-

to Rico is ended; thereupon, birth in Puerto Rico shall cease to be a basis for United States nationality or citizenship, but persons who had such United States nationality or citizenship, no matter how attained, have the right to retain United States nationality and citizenship, and to the same extent as all other United States citizens, to become dual nationals of the United States and any other sovereign nation, including the Republic of Puerto Rico; and relationship to persons with United States citizenship, no matter how attained, will continue to be a basis for United States citizenship to the same extent, and subject to the same requirements, including requirements as to residency in the United States, that such relationships form the basis for the citizenship of other persons, including persons born to United States citizen parents in other sovereign nations;

In section 4(a), strike paragraph (2) of the referendum language for Commonwealth, and insert the following:

"(2) Puerto Rico is an unincorporated territory of the United States, and the Constitution of the United States as determined by the courts, and the laws of the United States as determined by Congress and interpreted by the courts, protect the fundamental rights of the people of Puerto Rico, including (but not limited to) the rights to due process and to equal protection of the laws, freedom of speech and of the press, the right to travel, and the right to be free from unreasonable searches: *Provided*, That the Constitution of Puerto Rico, including its Bill of Rights, provides additional protections with respect to non-Federal matters;

In section 4(a), strike paragraph (3) of the referendum language for Commonwealth, and insert the following:

"(3) persons born in Puerto Rico have statutory United States nationality and citizenship as prescribed by Congress; and additionally, relationship to persons with legal United States citizenship, no matter how attained, will continue to be a basis for United States citizenship to the same extent, and subject to the same requirements, including requirements as to residency in the United States, that such relationships form the basis for the citizenship of other persons, including persons born to United States citizen parents in other sovereign nations;

In section 4(a), strike paragraph (7) of the referendum language for Commonwealth, and insert the following:

"(7) the extension, continuation, modification, and termination of Federal law and policy applicable to Puerto Rico and its residents is unchanged by this referendum and is within the discretion of Congress; and it is the policy of the Congress to take all necessary steps to ensure that the provisions of the Bill of Rights to the United States Constitution fully protect the people of Puerto Rico; and

In section 4(a), in paragraph (4) of the referendum language for statehood, strike the semicolon at the end and insert the following: "": *Provided*, That the Constitution of Puerto Rico, including its Bill of Rights, provides additional protections with respect to non-Federal matters;".

H.R. 856

OFFERED BY: MR. SCHUMER

AMENDMENT NO. 46: In section 5(a), add at the end the following paragraph:

(3) PUERTO RICAN RESIDENCY NOT REQUIRED.—Notwithstanding paragraphs (1) and (2), an individual residing outside of Puerto Rico shall be eligible to vote in the referenda held under this Act if that individual—

(A)(I) is a resident of the United States, including any territory, possession, or military installation of the United States, at the time that the referenda is held; and

(II) would be eligible to vote in such referenda but for that individual's residency outside of Puerto Rico; and

(B)(I) was born in Puerto Rico; or

(II) has at least one parent who was born in Puerto Rico.

H.R. 856

SUBSTITUTE

OFFERED BY: MR. SCHUMER

(Substitute to the Amendment Offered by Mr. Serrano)

AMENDMENT NO. 47: In section 5(a), add at the end the following paragraph:

(3) PUERTO RICAN RESIDENCY NOT REQUIRED.—Notwithstanding paragraphs (1) and (2), an individual residing outside of Puerto Rico shall be eligible to vote in the referenda held under this Act if that individual—

(A)(I) is a resident of the United States, including any territory, possession, or military installation of the United States, at the time that the referenda is held; and

(II) would be eligible to vote in such referenda but for that individual's residency outside of Puerto Rico; and

(B)(I) was born in Puerto Rico; or

(II) has at least one parent who was born in Puerto Rico.

H.R. 856

OFFERED BY: MR. STEARNS

AMENDMENT NO. 48: In paragraph (2) of section 5(c), strike "there is authorized to be further referenda" and all that follows through the period and insert the following: not later than 90 days after such referenda, there shall be a second referendum held in accordance with this Act which shall be on the approval of 1 of the 2 options which received the most votes in the first referendum. Such 2 options shall be presented on the ballot using the same language and in the same manner as they were presented in the first referendum.